



REF:INABB:STATUT:LODR COMPL:REGU 34:

April 4, 2023

BSE Limited
P.J. Towers, Dalal Street
Mumbai 400 001
(Attn : DCS CRD)

National Stock Exchange of India Ltd
Exchange Plaza, 5th floor, Plot No. C/1, G Block
Bandra-Kurla Complex, Bandra (E).
Mumbai 400 051

Attn: Listing Dept.

Dear Sirs,

Sub: Submission of Annual Report of the Company along with the Notice of Annual General Meeting (AGM) and Business Responsibility and Sustainability Report (BRSR) for the Financial Year 2022 pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Ref: BSE - 500002 / NSE – ABB

In terms of the Regulation 34 of the Listing Regulations, please find enclosed herewith the Integrated Annual Report of the Company for the financial year ended December 31, 2022 including the Notice of the 73rd AGM and BRSR which is being sent through electronic mode to Shareholders of the Company in respect of 73rd Annual General Meeting, scheduled to be held on Thursday, May 4, 2023 at 11.00 A.M. (IST) at "Aura", Taj Yeshwantpur, 2275, Tumakuru Road, Yeshwantpur, Bengaluru-560 022.

The Notice of the 73rd AGM and the Integrated Annual Report including the BRSR Report is being uploaded on the website of the Company at www.abb.co.in.

We request you to take the above on record.

Thanking you,

Yours faithfully,
For ABB India Limited

Trivikram Guda
Company Secretary and Compliance Officer
ACS-17685
Encl: as above

Integrated Report 2022



The cover page shows our country and business offices in AI enabled, platinum rated green building Disha. It is located in our gold rated Peenya campus in Bengaluru. The presence of Disha building in the integrated Peenya campus symbolizes ABB India's collaborative way of working with a model of empowerment much like the first Integrated Annual Report of the Company. They are also testimony to ABB India's commitment to sustainability, deploying thousands of ABB products for resource and energy efficiency, creating safer and productive work environment with sustainable technology, and green energy for running operations.



About ABB

ABB is a technology leader in electrification and automation, enabling a more sustainable and resource-efficient future.

The Company's solutions connect engineering know-how and software to optimize how things are manufactured, moved, powered and operated. Building on more than 130 years of excellence, ABB's ~105,000 employees are committed to driving innovations that accelerate industrial transformation.

abb.com/in

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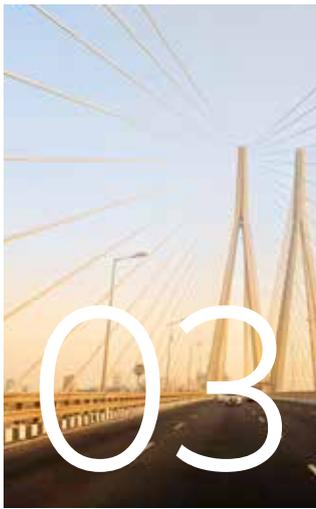
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Letter from the Chairman and the Managing Director



Dear shareholders,

We are pleased to present first integrated annual report of ABB India Ltd, which demonstrates how your Company's purpose enables it to drive performance and create value for our various stakeholders. It also elaborates on the external environment in which we have been conducting our business. Additionally, the report throws light on our operating model and our strategy - globally aligned and customized locally for market segments. The report also elucidates how our teams in different divisions are delivering profitable growth with the highest standards of safety, integrity, governance, and sustainability for the year gone by.

External environment

In 2022, India remained the fulcrum of stability and growth as compared to the global headwinds of geopolitical tensions, supply chain constraints, volatile trade balance, rising energy prices, among other factors. Amidst such a global business environment compounded by climate challenges, Indian cities and companies showed remarkable resilience by embracing sustainability and resource efficiency to streamline processes and generate better return from the assets. The government's proactive programs on energy transition to cleaner sources, emphasizing on last mile connect for delivery, further improved the quality of living for many more millions. The business potential of tier 3 and 4 cities are getting a boost with the drive to electrify and build smart transportation systems with electric coaches, metros, semi high speed rail, airports and highway corridors. The incentives on infrastructure and the roll out of 5G network is catalyzing a strong backbone for India's digital economy and stepping up growth across multiple sectors.

Electronics, data centers, warehouse and logistics, railways and metro, food and beverage, water and renewables segments witnessed significant traction aided by proactive positive actions.

Megatrends and local impact

These shifts of digitalization and e-commerce, electrification, energy efficiency, and sustainability, have helped to demonstrate our Company's purpose as well as our operating model and strategy with our performance. In India more than 124 partners and customers – medium and large entrepreneurs have joined the global energy efficiency movement initiated by ABB thus formalizing their commitment to embark on a journey of energy optimization. ABB India with its experience and expertise will guide them along the journey. Digitalization has also increased focus on data center development with more 27 percent of hyperscale data centers in the country deploying ABB solutions. With the recent efforts to decrease the levels of non-revenue water, more than 15 cities in the country have installed ABB flowmeters with instrumentation and electrification solutions to treat wastewater for clean rivers. From AI enabled city gas distribution solutions in 11 states for last mile connect to ~30 percent of renewable energy projects, ABB offerings are partnering India's transition to a greener economy.

Strategy for consistent performance

Our strategy of consistently engaging for new opportunities in the high growth segments, expanding market share in moderate ones, deepening, and retaining our focus on key customer base, along with sharp product focus is helping the Company to steer the course of profitable growth. In this exciting transition



journey, team ABB India secured record orders of INR 10,028 crore in CY 2022, a growth of 31 percent, to go back to pre-divestment of Power Grids business and other portfolio realignment levels in less than three years. The revenue for CY 2022 posted an uptrend of 24 percent to INR 8568 crore. The profit after tax was at INR 1026 crore. Your Company's earnings per share almost doubled to INR 47.96 per share as compared to INR 24.53 per share in 2021. This consistent improvement in performance along with a solid balance sheet puts us in a sweet spot to optimize the opportunities which the Indian market puts forth to keep creating value for all our stakeholders.

Sustainability in practice

And while doing all this, our unwavering focus on sustainability, governance, and integrity, was manifested in our operations and offerings to customers. In 2021, ABB India was one of the early adopters of the newly introduced Business Responsibility and Sustainability Report (BRSR), this year too, the BRSR report in the "sustainability in practice" section, details our group aligned and locally adapted initiatives on sustainability.

On an overall basis we reduced greenhouse gas emissions by ~82 percent (scope 1 and scope 2) in 2022 as compared to the 2019 baseline. All our manufacturing campuses were certified as single use plastic free, zero liquid discharge facilities and certified as green buildings leading to a recognition as a pioneer in green factory buildings by the Indian Green Building Council. You will read more about the various initiatives on energy, water, waste, and emissions aligned with the ABB Group targets in the report. The report will also highlight our various community initiatives especially in areas of

access to public infrastructure, health and education with a special focus on the multi-faceted program on diversity and inclusion, which brought the overall diversity ratio for ABB in India to 19 percent.

A stable foundation for future growth

Looking ahead, your Company has a solid foundation with a team which strives for consistent excellence to deliver solid performance. The spread of the ABB global portfolio across several prioritized segments, access to global and local supply chains, complemented by a deep local manufacturing footprint can be mitigating factors for global macro headwinds. Guided by the wise council of an experienced Board of Directors, we believe we will continue with the growth momentum. With our agile, high-performing divisions, strong focus on diversity and inclusion and engaged teams, we are certain that ABB India will create new milestones and continue to go from strength to strength. As India grows to become one of the best performing economies of the world sustainably, ABB India will be significant technology solutions partner of that growth journey.

On behalf of the Board of Directors, we would like to thank our stakeholders for their continued trust and support. Together with our customers, employees, partners, suppliers, and investors, we will continue to create superior value for all our stakeholders by balancing the needs of society, the economy, and the environment.

Best regards,

ADRIAN GUGGISBERG
Chairman

SANJEEV SHARMA
Managing Director



Key figures at a glance and five-year summary

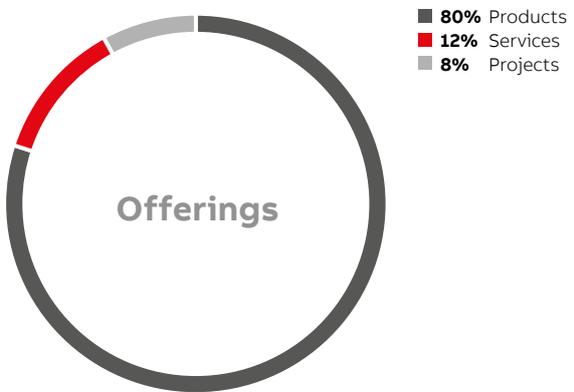
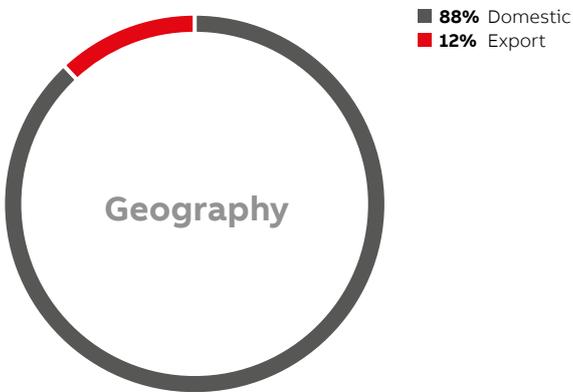
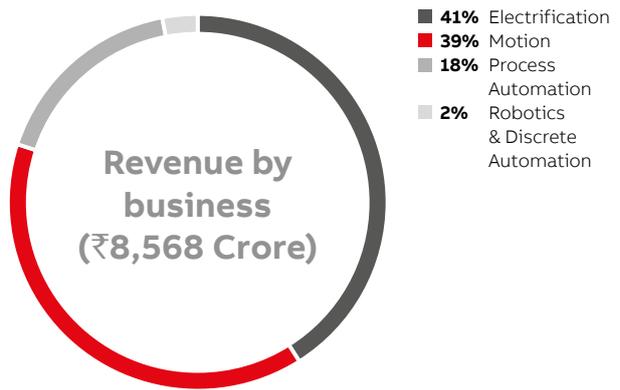
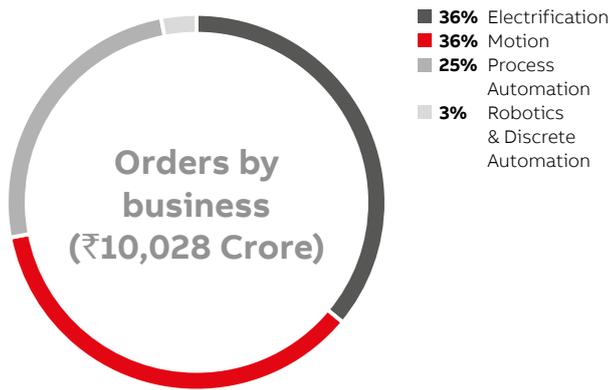
	(₹ in Crores)				
Description	2022	2021	2020	2019	2018
Sources of Funds					
Shares capital	42	42	42	42	42
Reserves	4,897	4,003	3,564	3,478	3,965
Net worth	4,939	4,045	3,606	3,520	4,007
Borrowings	-	-	-	14	7
Funds employed	4,939	4,045	3,606	3,534	4,014
Income and Profits					
Revenue from operations	8,568	6,934	5,821	8,210	10,862
Operating profit before Interest and depreciation	1,129	699	368	648	1,017
Profit before tax and exceptional item	1,011	586	231	515	794
Profit before tax and after exceptional item	1,350	707	289	446	794
Profit after tax	1,016	520	219	303	511
Other Comprehensive Income / (loss) (net of tax)	(12)	25	(28)	(4)	2
Dividend/Dividend tax	110	106	102	123	112
Retained earnings	894	439	89	176	401
Other data					
Gross fixed assets	1,376	1,208	1,130	1,047	1,669
Debt equity ratio	0.00:1	0.00:1	0.00:1	0.00:1	0.00:1
Net worth per equity share-INR	233	191	170	166	189
Earnings per equity share-INR	48	25	10	14	24
Dividend per equity share-INR	5.5*	5.2	5	4.8	4.8
Profit after taxes as % to average net worth	23	14	6	8	13
Orders received	10,028	7,666	5,932	6,970	10,115
Orders backlog	6,468	4,912	4,114	4,123	10,111
Number of permanent employees	3,139	3,149	3,255	3,299	5,531

Note:

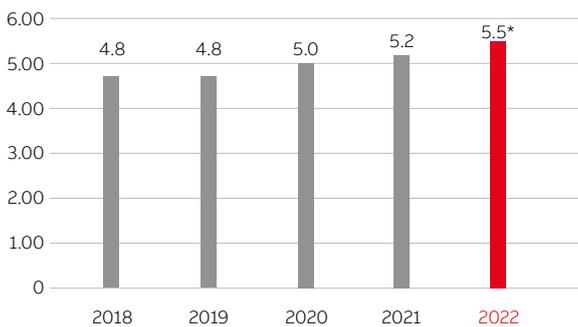
Figures for 2019 and 2018 also include performance of Power Grids Business, which has been disclosed as the discontinued operations in the Financials section.

* Proposed dividend

2022: A year of record performance

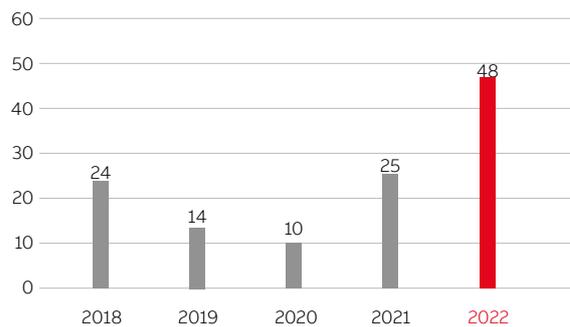


Dividend (₹ per share)

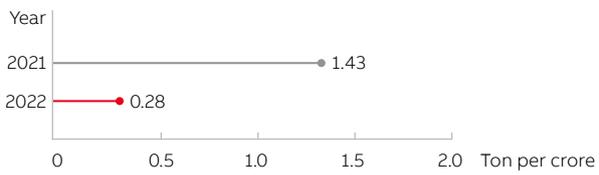


* Proposed dividend

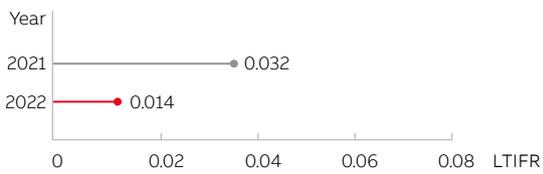
Earnings per share (₹)



CO₂e scope 1 & 2
CO₂e emission intensity

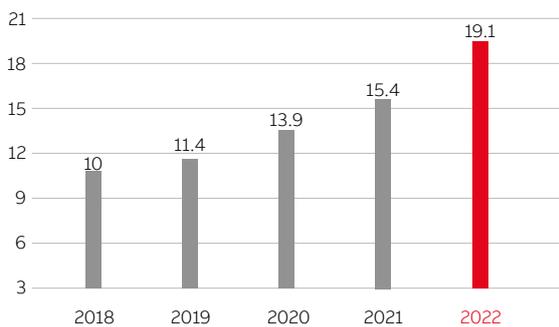


Lost Time Injury Frequency Rate
LTIFR, frequency/200,000 working hours



* The numbers are the rolling average of employees and workers

Gender diversity %*



* The percentage includes the ABB eco-system of ABB India, R&D and ABB Services



Key milestones

Deepened our India footprint

- Inaugurated the **first smart instrumentation factory** in Bengaluru
- Expanded the **Vadodara relays factory** for digital systems and substation products
- Upgraded **Smart Power factory** in Nelamangala with **Industry 5.0** collaborative robotics
- **New facility for R&D** – ABB Innovation Center opened



Accelerating efficiencies in emerging and high growth sectors

- Low voltage and medium voltage switchgear along with automatic transfer switches offering for **large hyperscale data centers** at Pune and Hyderabad
- **PrimeGear, eco-efficient switchgear** for a data center in Chennai
- **Robotics solutions** for a **5G electronics** equipment assembly and manufacturing major
- **Softstarters** enable uninterrupted water supply to **60%** of the city with **Jal Kal Varanasi**
- Largest orders for **ultra-low harmonic drives** for a pharma major



Partnering for a greener economy

- **First automatic power factor correction** for 300 MW solar plant
- **>1GW** of MV Air Insulated Switchgear installation for **solar projects**
- Enhanced **THINK Gas' network** with **intelligent automation** across 11 states

Transforming transportation systems

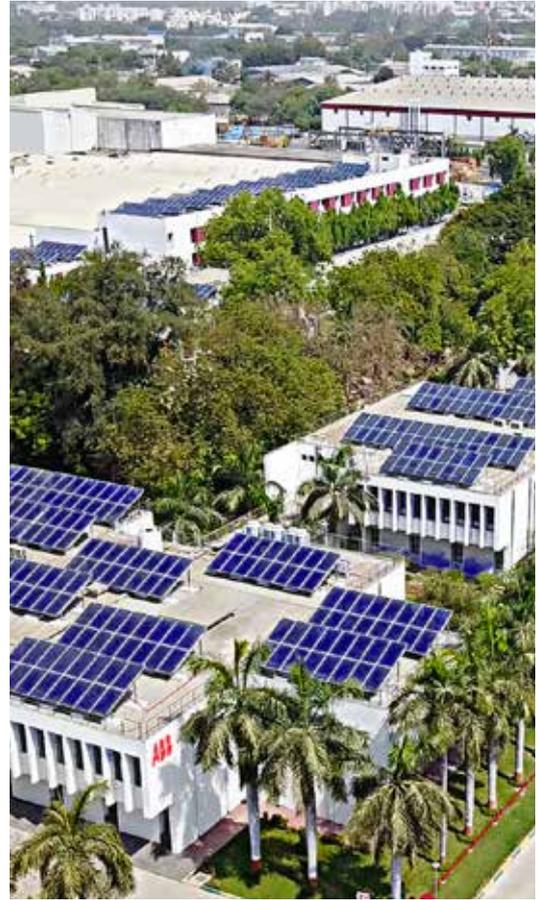
- **IE3 motors** for **E-vehicle steering pump** application
- **Traction** technology for **Vande Bharat** trains
- **Ring Main Units** for India's flagship Super Communication Expressway project - **Samruddhi Project** (Mumbai- Nagpur)
- **Gas Insulated Switchgear** for **Pune Metro** and for the **world's highest rail bridge** in North India
- First of its kind **fully automated robotics paint line** applications for an Indian **auto major**



Key milestones

Automation and digitalization of Indian industry

- **Motors, Drives and Automation** package for a **steel major** for galvanizing and annealing line
- **Advance Process Control (APC)** at Andhra Paper Limited for **efficient lime kiln** production
- **Control systems** for a **paints major**
- **Electricals control** and implementation package for a **cement clinker** and waste heat recovery system
- **Smart control system** for a major **chemical manufacturer** in Hyderabad
- **Robotic end of line palletizing** for **FMCG major**



Sustainability in Practice

- ABB India achieves **~82% reduction** in own **GHG** (scope 1 and 2) emissions as compared to 2019 baseline, across all manufacturing locations
- **RE100** (renewable electricity) realization across **all five manufacturing campuses**
- **CRISIL** rated us **“Strong”** in ESG ratings
- Enhanced **water recyclability** by about **14%** compared to last year
- Moving towards **Zero waste to landfill** with close to **95%** of waste recyclability
- All the factories are **Zero liquid discharge**
- **All five** manufacturing locations certified **green factory buildings** by IGBC
- Certified **single-use plastic free** campuses



Community outreach programs for education, D&I, and healthcare

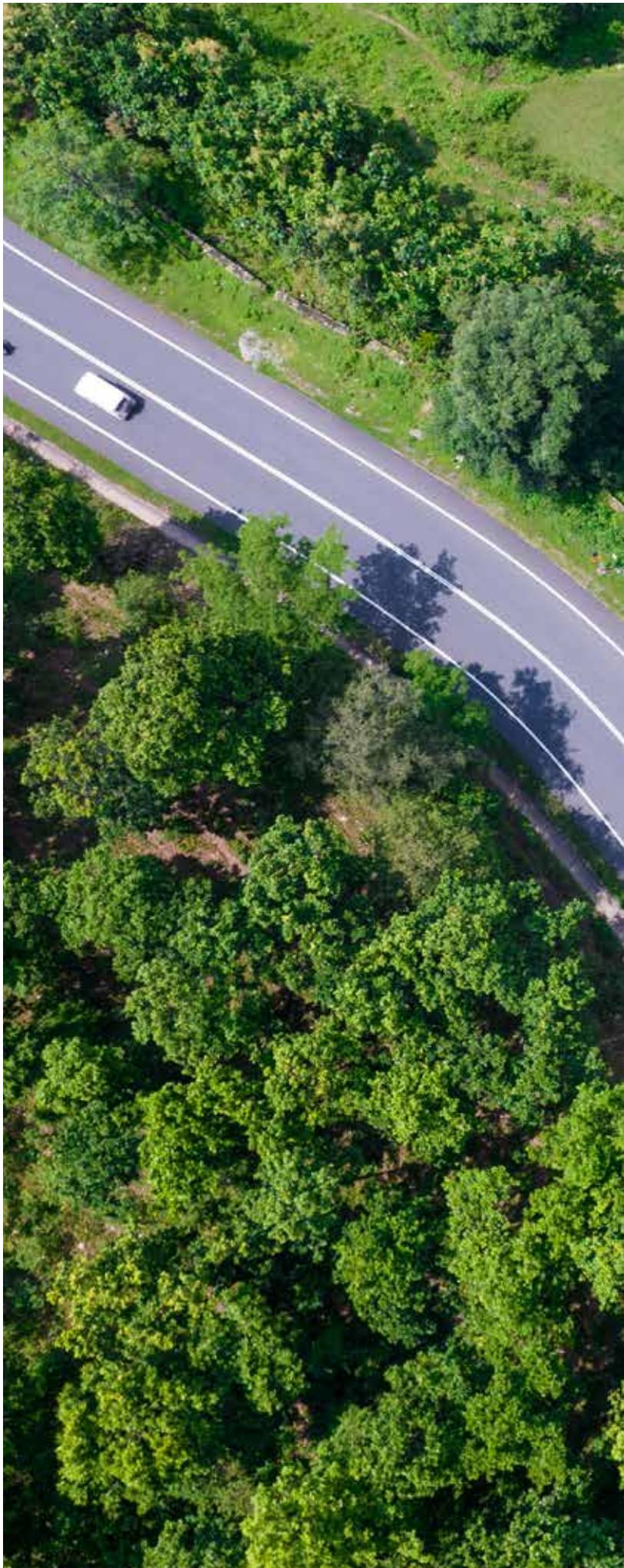
- **Public infrastructure** and road upgradation in Peenya industrial area
- Environmental sustainability program- '**Paryavaran Mitra**' across **98 Govt. schools**, Nelamangala
- Distribution of **customized aids** for **specially abled** people in Maneja
- Community **mobile healthcare facilities** in and around ABB India locations
- **Watershed management** through check dams in drought prone areas near Nashik

Awards and recognition

- **Responsible Export Organization** by Confederation of Indian Industry (CII)
- **Pioneer** in large scale adoption of **Green Buildings** in India by IGBC
- **Best Allyship and ERG Practices** by an external forum
- Large Motors and Generators division won **Gold Award** at CII's 43rd **National Kaizen competition**
- Smart Power division won **Frost and Sullivan's Future Ready Factory of the year** for Large Business category (India)



Value creation



01

**VALUE
CREATION**

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Who we are

ABB has a history of innovation excellence stretching back more than 130 years with 70+ years of manufacturing in India. Today, we are a leading global technology company that enables a more sustainable and resource-efficient future with our technology leadership in electrification and automation.

Our strong heritage as a technology pioneer has led to long-lasting relationships with many of our customers and given us a deep understanding of market needs and the ability to anticipate and drive trends.

Our solutions connect engineering know-how and software to optimize how things are manufactured, moved, powered and operated. Building on our heritage of excellence, ABB's ~105,000 employees are committed to driving innovations that accelerate industrial transformation.

Our Electrification business area provides leading electrical distribution and management technologies, solutions and services to electrify the world in a safe, smart and sustainable way. The portfolio includes medium- and low-voltage electrical components, switchgear, digital devices, enclosures, breakers, power conversion products and charging solutions for electric vehicles, among others. With our products, solutions and services, we collaborate with customers to improve power delivery and security, enhance energy management, efficiency and operational reliability, as we seek to achieve a low-carbon society for the benefit of society and the planet.

Our Motion business area keeps the world turning – while saving energy every day. We innovate and push the boundaries of technology to enable the low-carbon future for customers, industries and societies. With our digitally enabled drives, motors and services our customers and partners achieve better performance, safety and reliability. We offer a combination of domain expertise and technology to deliver the optimum drive and motor solution for a wide range of applications in all industrial segments.

Our Process Automation business area is the leading supplier of integrated automation, electrical and digital solutions for the process, hybrid and maritime industries. It enables customers to operate some of the largest and most complex industrial infrastructure essential to modern life and run them more safely, intelligently and sustainably. The portfolio includes ABB's market-leading distributed control system, industrial software, advanced sensing, as well as industry-specific anchor products.

Our Robotics & Discrete Automation business area is the only business that offers a comprehensive and integrated portfolio covering robots, autonomous mobile robots and machine automation solutions, designed and orchestrated by our value-creating software. The business area helps companies of all sizes and sectors – from automotive to electronics and logistics – become more resilient, flexible and efficient.

WHAT WE DO

WHAT:
OFFERING



Products



Systems



Services and Software



Electrification



Motion



**Process
Automation**



**Robotics
& Discrete
Automation**

FOR WHOM:
CUSTOMERS



Utilities



Industry



**Transport and
Infrastructure**

WHERE:
GEOGRAPHIES



**Asia, Middle East
and Africa**



Americas



Europe

DIVISIONS

- Distribution Solutions
- Smart Power
- Smart Buildings
- Installation Products
- Power Conversion
- E-mobility
- Service



- Drive Products
- Systems Drives
- Service
- Traction
- IEC LV Motors
- Large Motors & Generators
- NEMA Motors



BUSINESS AREAS

- Energy Industries
- Process Industries
- Marine & Ports
- Measurement & Analytics



- Robotics
- Machine Automation*



*Machine Automation division is not part of ABB India and is run separately out of ABB B&R

Building a deep footprint with **100+ years** of existence and **70+ years** of manufacturing



5 Manufacturing Locations
25 Plants



21 Sales Offices



Faridabad Campus



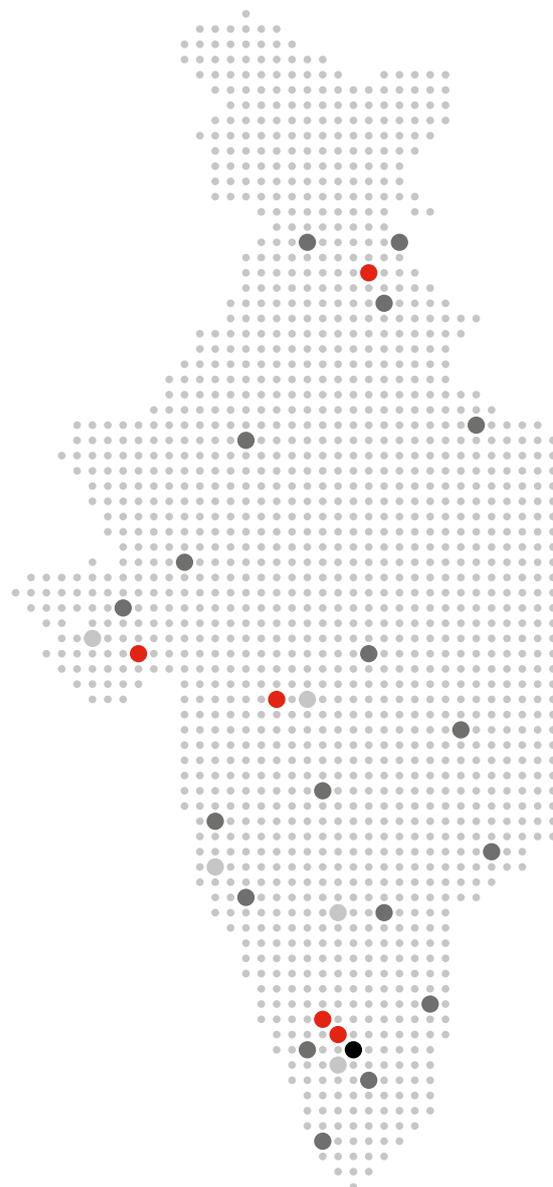
Maneja Campus



Nashik Campus



ABB Innovation Center (AIC),
Hyderabad*





750+ Partners



3000+ Employees

Bengaluru



HO & Peenya Campus



Nelamangala Campus



ABB Services Bangalore Hub (AS)*



ABB Innovation Center (AIC), Whitefield*



- Head office (HO), Bengaluru
- Manufacturing locations
- Sales and branch offices
- R&D center

*AS, AIC are part of ABB Global entity

ABB's purpose is to enable a more sustainable and resource-efficient future with our technology leadership in electrification and automation.

Our purpose is why we are in business and is the guiding star for ABB's direction and strategy. Through our technologies and responsible business practices, we aim to make our stakeholders and society more successful and sustainable by addressing the world's energy challenges, transforming industries and embedding sustainability in all our activities.

Our purpose is based on five themes that capture the essence of what ABB stands for, what we aspire to and how we make an impact.



Our purpose

**ABB's purpose is to enable
a more sustainable and
resource-efficient future with
our technology leadership
in electrification and
automation**





Creating success

At ABB, we are passionate about creating success. This starts with our customers – we enable them to reach new levels of performance. Their success translates into success for all our stakeholders: employees, partners and shareholders. Our people make the difference. Their domain knowledge and experience are why customers come to us with their biggest challenges.

Addressing the world's energy challenges

As pioneers in electrification and automation, we help to address the world's energy challenges. We are enabling the world's data growth, mobility expansion and urbanization while preserving the environment. Our solutions make homes, offices, factories and transport more energy-efficient and safer and energy more affordable.



Transforming industries

We envision a future where the physical and digital worlds merge. Together with our customers, we are turning this vision into reality. We provide electrification, automation and motion solutions that fulfil today's needs while bringing the physical and digital worlds together. We make operations safer, more intelligent and more productive and work towards a more prosperous and sustainable future.

Embedding sustainability

For us, sustainability is both the right thing to do and a business opportunity. We lead by example by embedding sustainability in everything we do. Our solutions reduce harmful emissions and preserve natural resources. We champion ethical behavior and human rights to contribute to better lives for people across the globe.

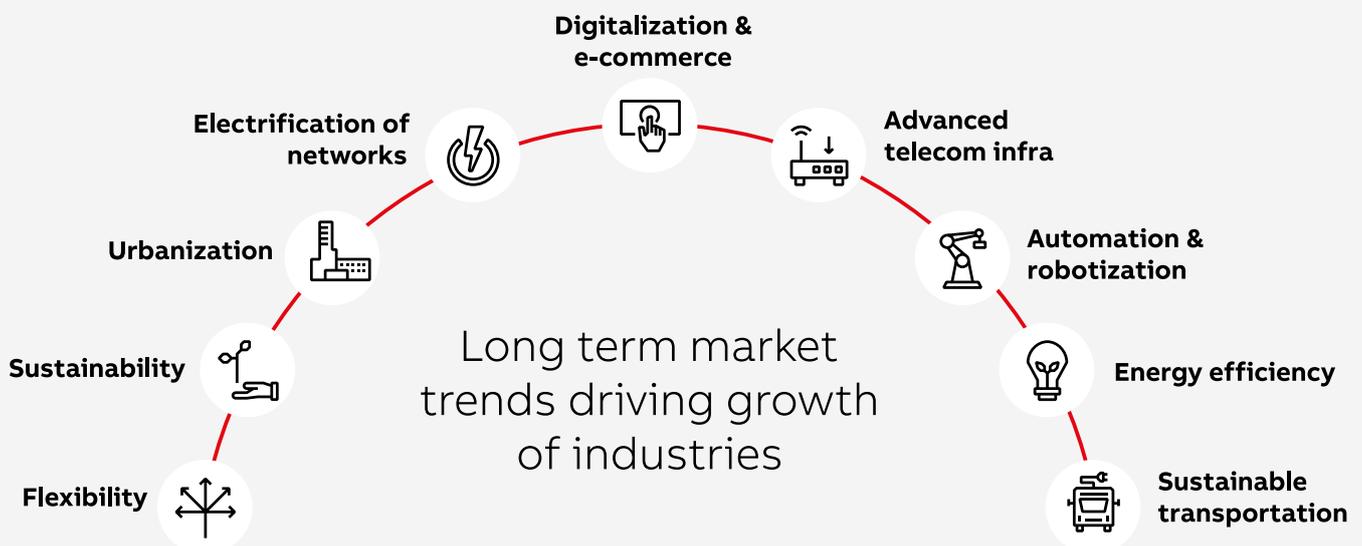
Leading with technology

If there is one thing that ABB is recognized for, it's our world-class technology. Innovation has been in our DNA since we were founded more than 130 years ago to take advantage of a new technology called electricity. This is one of the main reasons why customers and others turn to us for help with their biggest challenges. Together, we continuously push the frontiers of technology to make things possible that were not possible before.

Our strategy and priorities

ABB's strategy is deeply rooted in our purpose and is designed to accelerate profitable and sustainable growth by capturing on key global trends like sustainability, digitalization, electrification, and automation.

ABB India's core strategic focus is to align itself to the long term market trends driving growth of Industries in India and derive actions for market penetration. Each year we revisit our priorities and set our current and long-term actionable targets aligned to our purpose and ABB group priorities.



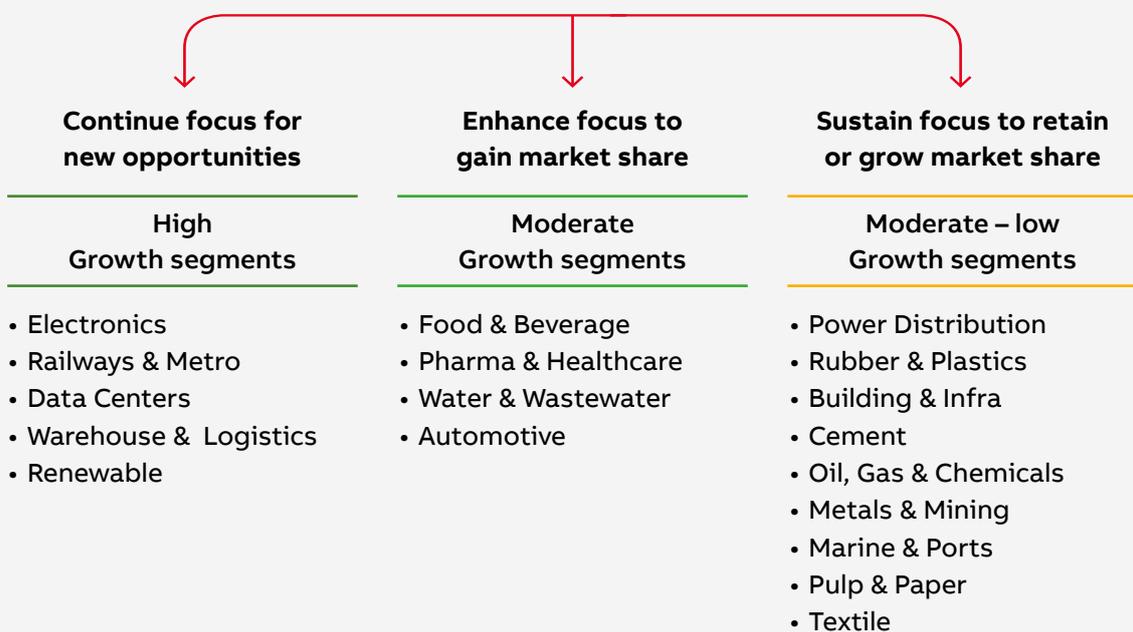


Our key strategic priorities for India across our Business Areas and divisions are:

- Systematic capital allocation, both organic and for acquisitions, aligned with ABB’s purpose;
- Increase of ABB’s exposure to high growth, profitable markets that are benefiting from key global trends;
- Embed sustainability in all our processes and across our value chain

In terms of markets, our diversified solutions across market segments and continued focus on all growing segments shields us from sectoral cyclicities. We revisit and adapt our market specific activities basis sectors experiencing high, moderate, and moderate-low capex growth over the previous year.

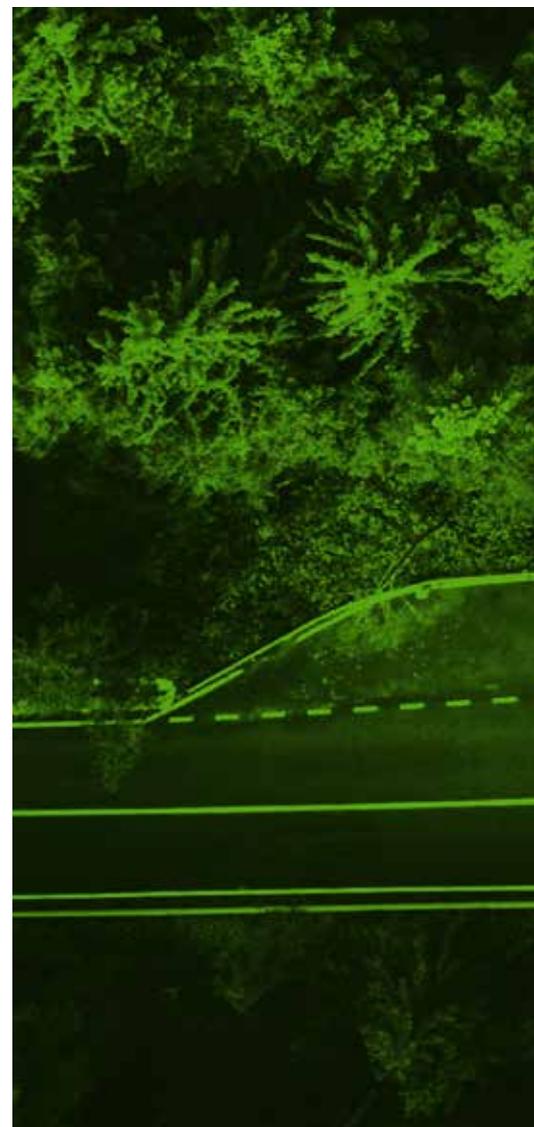
ABB Focus Strategies

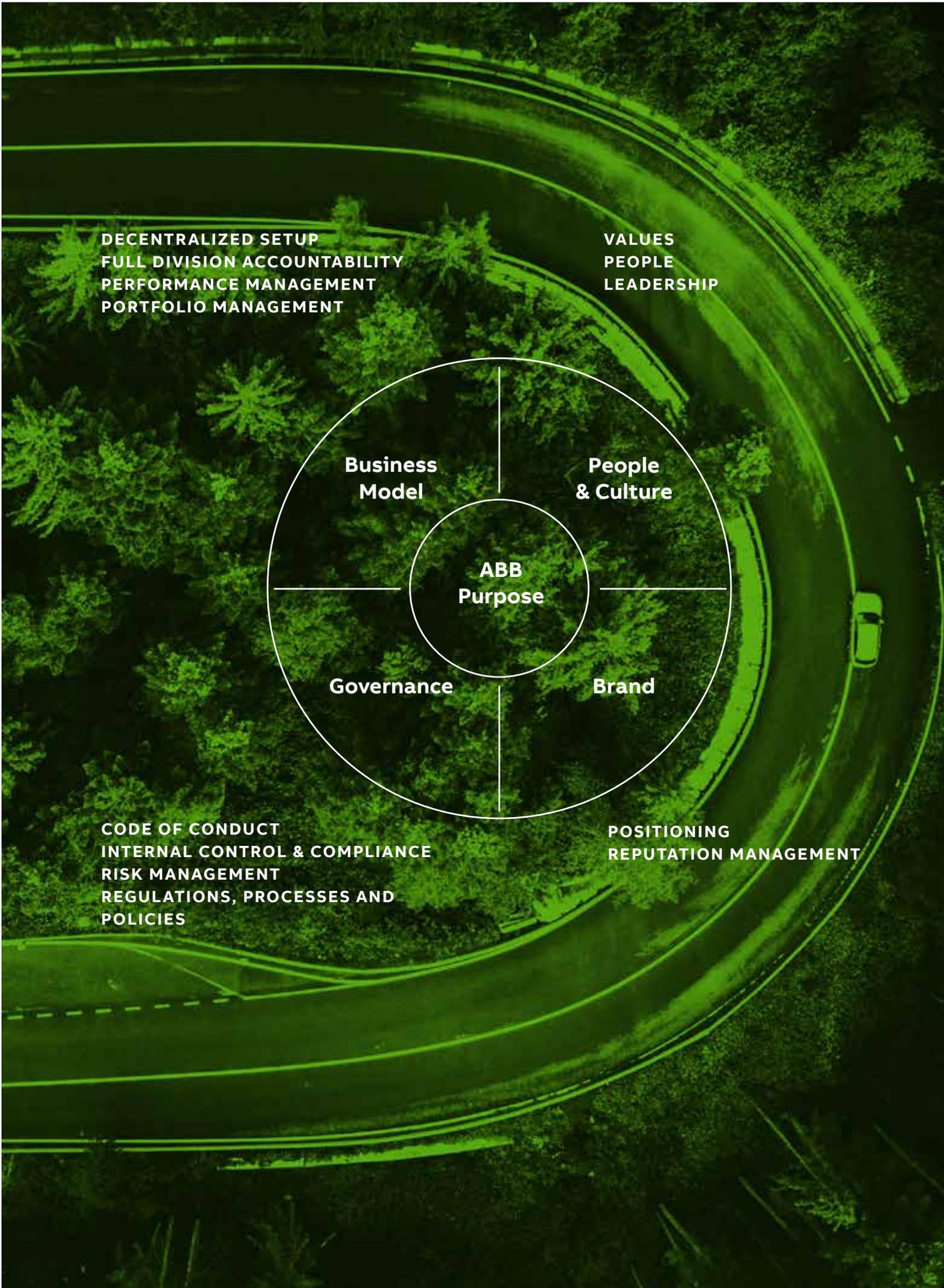


Our operating model – the ABB Way

The ABB Way is the common operating model for our divisions, business areas and lean corporate center. It is the “glue” that holds the Group together and has ABB’s purpose at its core, i.e., the “why” we are in business.

The ABB Way defines “how” we create value: how we drive performance, how we ensure that we have the right people in the right place at the right time, how we create a strong culture of governance and integrity and how we build and protect our brand and reputation. The ABB Way is owned and controlled by ABB’s Executive Committee and is mandatory for all businesses in ABB.





DECENTRALIZED SETUP
FULL DIVISION ACCOUNTABILITY
PERFORMANCE MANAGEMENT
PORTFOLIO MANAGEMENT

VALUES
PEOPLE
LEADERSHIP

Business
Model

People
& Culture

ABB
Purpose

Governance

Brand

CODE OF CONDUCT
INTERNAL CONTROL & COMPLIANCE
RISK MANAGEMENT
REGULATIONS, PROCESSES AND
POLICIES

POSITIONING
REPUTATION MANAGEMENT

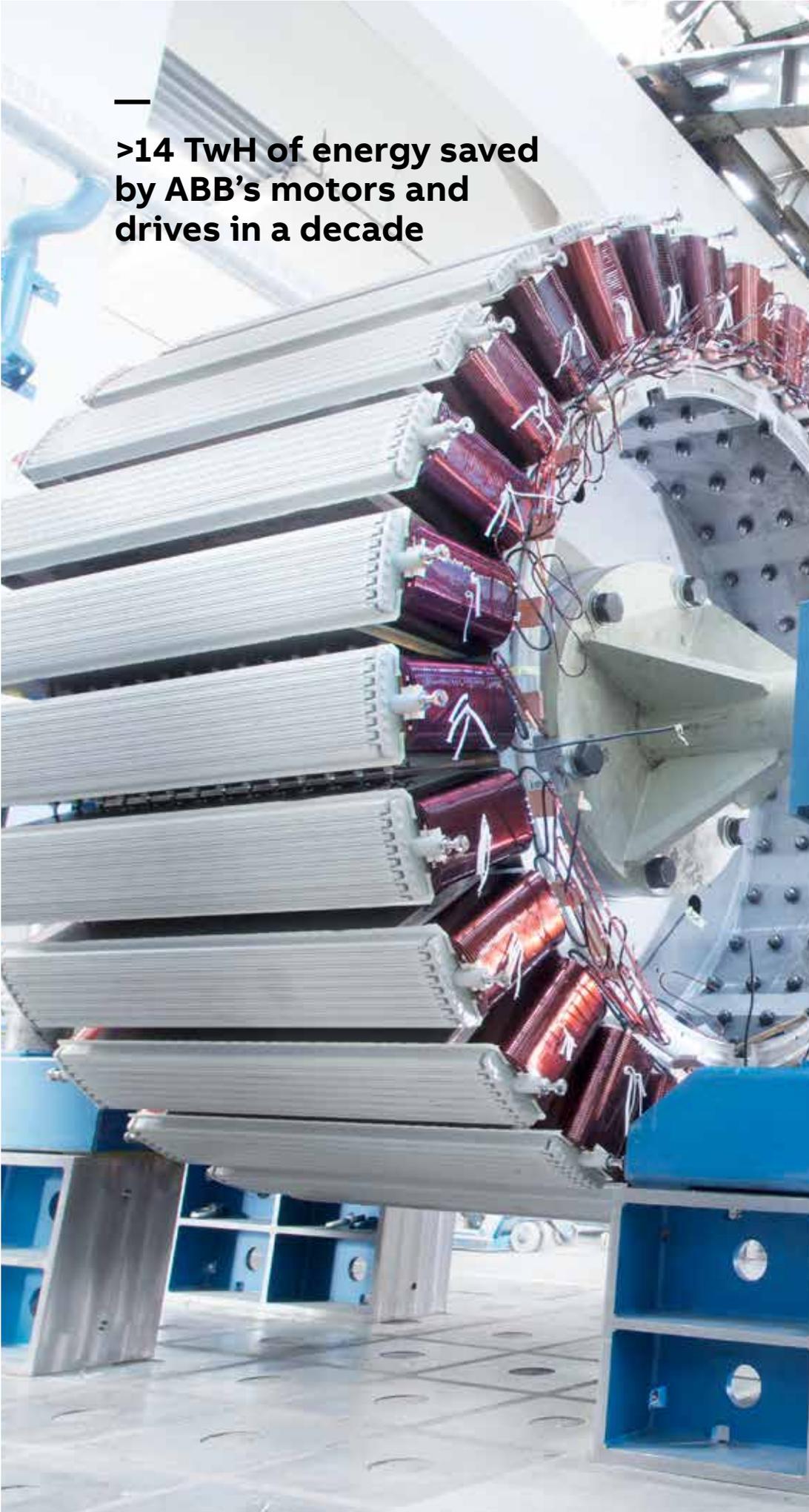


ELECTRIFICATION



—
**~20 smart cities
deploy ABB technology
for resource efficiency**

—
**>14 TWh of energy saved
by ABB's motors and
drives in a decade**



Sustainability in practice



02

SUSTAINABILITY IN PRACTICE

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Embedding sustainability in everything we do

Sustainability is at the center of our Company's purpose and the value we create for our stakeholders. We believe that sustainable development means progress towards a healthier and more prosperous world, today and for future generations. To achieve this, we balance the needs of society, the environment and economy across our entire value chain.

Our 2030 sustainability strategy positions our Company to address the world's greatest sustainability challenges. As a technology leader, we focus on those areas where we can make the biggest impact: enabling a low-carbon society, preserving resources and promoting social progress, while applying our own high standards for integrity and transparency and complying with relevant regulations wherever we operate. To meet our 2030 sustainability targets, we are taking action across our value chain because we believe we can have a greater impact by acting in coordination with our customers, suppliers and other stakeholders. Our sustainability strategy is based on the following four objectives:

- **Enabling a low-carbon society:** We partner with our customers and suppliers to reduce and avoid value chain emissions, and we aim to make our own operations carbon-neutral by 2030.
- **Preserving resources:** We aim to embed circularity across our value chain. Many of our solutions reduce waste, increase recycling and foster reusability.
- **Promoting social progress:** We take care of our employees and promote

social progress around us. We strive to create safe, fair and inclusive working environments where people can succeed and develop, and we support community-building.

- **Creating a culture of integrity & transparency:** We drive a culture of integrity and transparency across our value chain and take accountability for our actions. For each of the four pillars of our sustainability strategy, we have defined targets for the three levels of our value chain; our customers, our own operations and our suppliers.

In 2022, we progressed seamlessly on our sustainability journey creating multiple milestones. More information about our sustainability strategy and governance and performance can be found in our integrated Business Responsibility and Sustainability Reporting (BRSR) in the subsequent pages.

1. We enable a low-carbon society

The need for action on climate change is becoming ever more urgent. The hottest years on record have all occurred since 1998 and they are increasing in frequency. At the same time, overuse of the earth's resources and environmental degradation are jeopardizing the health and future prospects of huge numbers of people around the world. The Country has also pledged to reach net-zero emissions by 2070 with enhanced targets for renewable energy. In line with the Govt. of India climate change agenda the Company is actively helping to reduce green-house gas (GHG) emissions at its operations.

AMBITIOUS 2030

SUSTAINABILITY TARGETS



**Enabling
a low-carbon
society**



**Preserving
resources**



**Promoting
social progress**



**Creating a culture
of integrity
& transparency**

Our technologies target industry, buildings and transport sectors that together account for three quarters of global energy consumption. Since the introduction of our ambitious 2030 sustainability targets to enable a low-carbon society, we have already made considerable progress. In 2022, we added mid-term targets 2025 for increased accountability.

We aim to reduce our own emissions (scope 1 and 2) by at least 80 percent by 2030, a target that has been confirmed by the Science Based Targets (SBT) initiative as being in line with the Paris Agreement to limit global warming to 1.5°C. Considering the complete life cycle of our products and services, the biggest environmental footprint lies within our extended value chain. Therefore, our ambition is also to help our customers and suppliers reduce their GHG emissions.

Climate action in our own operations

In 2022, we made considerable progress towards our goal of achieving carbon neutrality in our own operations by 2030. To achieve carbon neutrality, we have committed to three initiatives of the Climate Group of global companies with the aim of reducing our absolute emissions as much as possible. By 2030, we will completely electrify our vehicle fleet (EV100 initiative), source 100 percent of our electricity from renewable energy sources (RE100 initiative) and improve energy efficiency and productivity across our operations (EP100 initiative).

2. We preserve resources

Over the coming decades, the pressure on our environment will increase: today's global population of 7.8 billion is expected to expand to 9.7 billion by 2050 according to projections by the United Nations. Some 80 percent of people will live in cities, placing enormous burden on already stretched water, food, energy and transport systems.

We are working towards aligning our circularity framework with the evolution of external reporting frameworks and regulations.

In our endeavor towards Zero waste to landfill, the Company has already achieved close to 95 percent of recyclability. The Company is also focusing on eliminating 'Single Use Plastics' from its facilities beyond compliance requirements.

Water stewardship

We are optimizing water usage through our innovative '6R' approach. In this approach, our focus is on Rainwater recharge, Reduction of fresh water, Rainwater use, Recycle treated water and Realtime monitoring of recharge, consumption, saving. With various improvement activities at our plants, the Company was able to improve the overall water recyclability by 14 percent during the year compared to the previous year.

3. Social Progress

At ABB, we take care of our employees and promote social progress. We create safe, fair and inclusive working environments where our colleagues can succeed and develop. By continuing to invest in reducing workplace injuries, improving well-being, increasing diversity and inclusion and targeting a top-tier employee engagement score, we are making ABB a place where people want to work and build their careers. Our support for social progress is underpinned by our respect for people and human rights.

As an organization, we embed human rights considerations into our decision-making processes – both by prioritizing them in the risk analyses we perform for our value chain, and by building awareness, knowledge and understanding of them throughout our businesses. In the communities where our employees and customers live and work, we engage with and support local organizations and people who are making a meaningful social difference. In ABB's supply chain, our Sustainable Supply Base Management (SSBM) program enables us to ensure that our suppliers meet our high expectations for environmental, social and governance performance.

We have established four sustainability targets to reflect how we are working to promote social progress. The first target is to achieve a yearly reduction in lost-time incidents. The second is to double the proportion of women in senior management roles to 25 percent by 2030 from a 2019 baseline. The third is to achieve and maintain a top-tier employee engagement score in our industry. And the fourth is to provide impactful support for a range of community building initiatives.

The Company is committed to the cause impacting in and around its manufacturing locations focusing on education, skilling, empowerment of the disadvantaged and on local community and environmental development initiatives.

The Company's flagship educational initiative is its scholarship program launched in 2019. The program provides 200 scholarships per year to economically challenged young women. These scholarships help them pursue degrees in the disciplines of their choice at engineering colleges in several regions in the country and is supplemented with special life skills training and mentoring activities provided by the Company's volunteers.

The Company supports the operation of an 'Integrated' school that aims to mainstream 200 children with disabilities. The project helps develop curricula, formulate individual support plans including occupational therapy and physical therapy and provide training to the children's parents.

Also in line with sustainability commitments toward communities a water management project in drought prone villages of Nashik was taken up that has improved water table levels and availability of water during summers for people and live stock in the region.

4. Integrity and Transparency

ABB acts with integrity and transparency. At ABB, we strive to do the right thing and be transparent at every level of our value chain. We measure our performance not only by the results we achieve, but also how we achieve them. A culture of integrity is a prerequisite for a world-class business and ABB's strength and future success depend on our reputation as a trusted and reliable business partner.

We are committed to a high standard of integrity which is expected of every employee and wherever we do business. With hard work and a clear commitment from ABB's top and businesses leaders, we have seen the positive impact that a robust compliance and integrity program and a strong culture of integrity can have on the long-term success and sustainability of our Company.

We have developed and implemented a systematic approach designed to prevent, detect, and resolve any potential integrity concerns. This is supported by tools and processes and a zero-tolerance policy for any violations. Our integrity program has created an environment where all of our employees can be open about identifying risks, asking questions, and raising concerns.



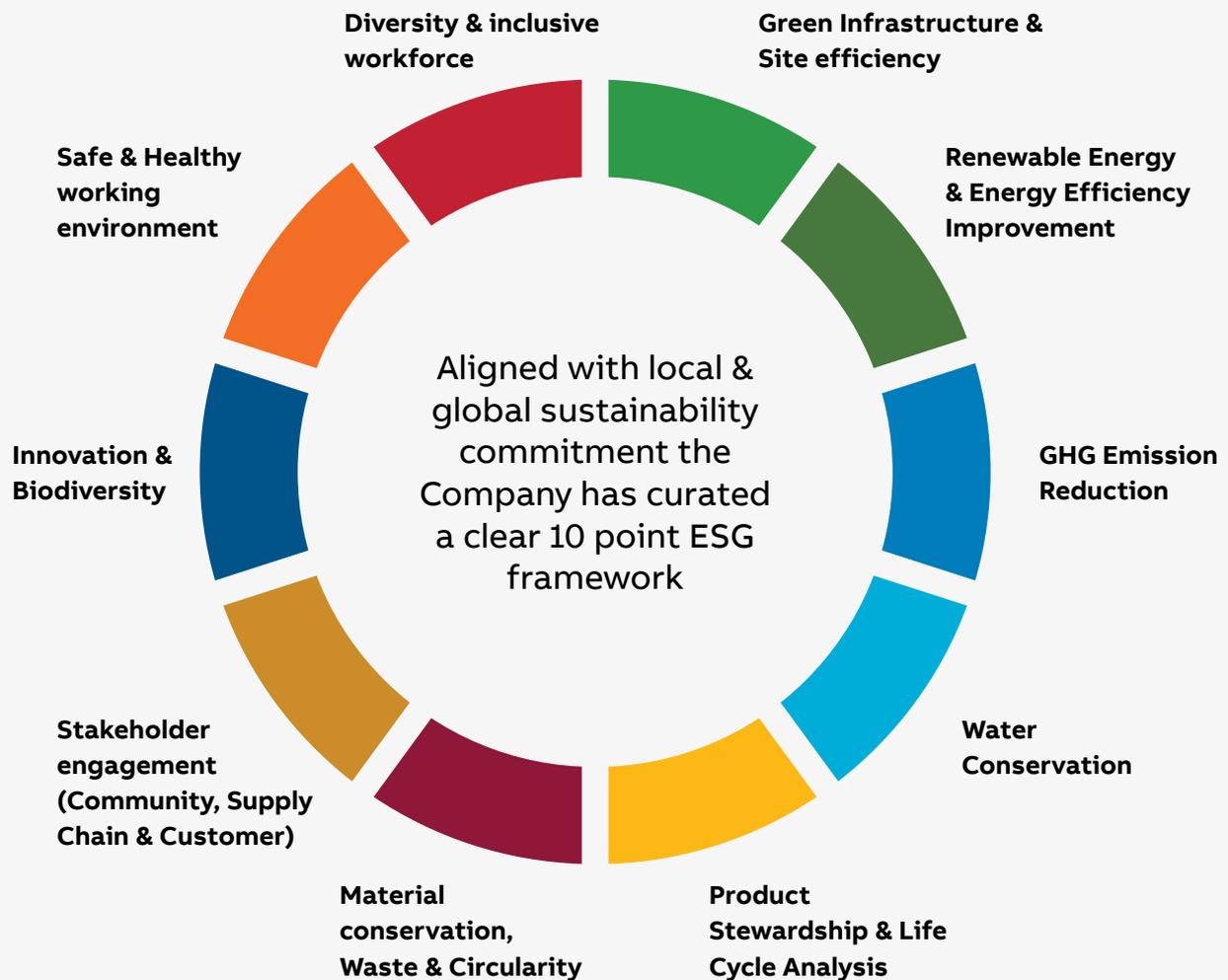
BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

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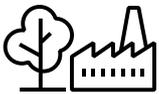
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Executive Summary

At ABB India, sustainability holds a special focus following its commitment to achieve the goals and targets set for the year of 2030, those that have been carefully created taking into account the ABB Group's 2023 targets, the Sustainable Development Goals (SDGs) and the National Environment, Social and Governance (ESG) requirements.



From an environmental stewardship perspective the Company’s journey towards its goals and targets can be perceived through the green initiative plans that are spread over three focus areas i.e.



Green Factory Buildings



Green Manufacturing



Green Products



Through the implementation of the stated initiatives, ABB’s ESG risk assessment and its commitment towards sustainability has been rated strong. Continuing its pursuit for sustainability and to have transparent disclosure the Company was an early adopter of the Business Responsibility & Sustainability Report in 2021.

ABB perceives and prioritizes each and every stakeholder as an integral part on its quest to achieve its targets and continues to strive in each and every direction to steer the Company towards becoming the industry leader in the arena of sustainability both at a global and national level.

“In 2022, we made significant progress in our 10 point ESG framework initiatives, aligned with our global sustainability goals. This continuous journey was marked by execution of several projects with focus on green factories across locations. We complemented this externally with our portfolio offerings to customers to optimize energy usage across their operations - be it for cities or industrial plants or transportation systems. We are committed to driving sustainability to the last mile through our association with our stakeholders.”

Sanjeev Sharma
 Managing Director, ABB India

Key Highlights

Principle 1

Embedding integrity and transparency across our value chain

- Integrity aspects received an engagement score >75 percent through the employee engagement survey
- Best in class Corporate Governance with diverse board, management, transparency and first movers in ESG reporting to investors

CASE STUDY:

Online legal portal on standardized modules for awareness programs

ABB launched its Integrity Awareness portal, a one-stop-shop for employees to explore. The portal has interesting and engaging content, including short animations, ethical moments, quizzes, videos, and infographics on our five integrity principles and 16 integrity focus areas of our Code of Conduct.

Training on integrity and ABB Code of Conduct is imparted across locations through face to face and classroom sessions to 100 percent of workers.



Principle 2

World class research and innovation for over 130 years

- Estimated 70-80 percent of the ABB Group R&D budget goes to products, systems and services that help customers reduce their GHG emissions
- Sustainable sourcing - The Company evaluates its select suppliers and vendors to their commitment to Company's Sustainability agenda



Principle 3

Employee and partner ecosystem wellness is at the core of operations

- The Company has an online 24/7 Telemedicine and 3rd party confidential employee assistance program to cater to mental wellbeing and wellness queries of its employees
- Regular health awareness workshops for employees and consistent upgradation of Occupational Health Center (OHCs) are carried out not only all manufacturing locations but also at key offices

CASE STUDY:

1. Safety alert system

In a constant effort to improve safety practices, the Company's Nashik factory team has implemented the Vehicle Alert System for material handling. This system generates audio-visual alerts for employees working in the area. The implementation of the system has reduced the chances of serious injuries through vehicle collisions.



2. Empowering women

The Company continued its effort towards building capabilities of its potential women leaders with the RISE program that endeavors to provide a growth platform for senior women to introspect, share, network and learn to enable all-round growth and career progression. This program has been successfully implemented from 2019.

The Company also focused on extending support to the meritorious young women from the society. Under the program called 'With her beside her', the Company built a pool of employee-mentors, who have the passion for mentoring, from within the organization. These leaders offer mentorship to the young women that ABB is supporting for women engineering scholarship program through its community development activities.

3. Learning and Development

The Company's L&D clocked over 23,896 learning hours and over 2500 unique participants with 5734 unique topics. The Company inducted the internal learning initiative- 'Learn-O-Holic' project with impactful sessions from senior leadership and over 40+ leadership and critical soft skills topics were curated, created and consumed under this project.

The Company stands second in the ABB universe from utilization of 'Harvard Manage Mentor' and 'Harvard Spark' learning platforms. The Company was the finalist in the NHRD showcase for implementing New Ways of Working (3 Ws – Work, Workplace, Workforce). The Company is committed to a culture of diversity, inclusion and equal opportunity for its business success and for a better informed and developed work force.

Principle 4

Multi-stakeholder engagement to address our sustainability goals

- Periodic stakeholder interactions to integrate suggestions and improve processes
- The Company's CSR policy prioritizes the needs of vulnerable groups and gives them quality assistance by large scale direct implementation of public infrastructure projects also by engaging with institutional partners for varied community development projects
- More than 124 customers and channel partners joined the energy efficiency movement of ABB to chart out a clear map to achieve energy efficiency targets

CASE STUDY:

Driving sustainability across the value chain

The Company conducted sustainable supplier summits at its Nelamangala and Peenya factories. The main purpose of the summit was to share ABB's approach towards establishing sustainable supply chain and create awareness and assist supplychain members to learn and adopt various sustainable aspects like Health Safety, Environment, Human Rights and with specific focus on climate change mitigation.



Principle 5

Committed to international guidelines for upholding human rights

- The Board composition of the Company comprises of 50 percent of Women Directors
- Explicit Human Rights clauses are included in frame and other customer agreements
- 100 percent of the Company's plants and offices have been assessed for human rights risks
- The Company during the year introduced a 'gender-neutral' parental leave program



Principle 6

Environmental sustainability is at the core of our sustainability journey

- Pioneer in large scale adoption of green factory buildings in India. Conferred with the 9th Indian Green Building Council (IGBC) Green Champion award
- All of its factories are certified with IGBC green building rating system, and are now Zero Liquid Discharge (ZLD) unit and Single Use Plastics (SUP) free
- Rated in 'strong' category by an independent rating agency for its ESG risk assessment which also demonstrates our strong commitment towards bringing sustainability in its business

CASE STUDY:

Enabling a low-carbon society

The Company's sustainability initiatives have cumulatively led to an 81.6 percent reduction in scope 1 and scope 2 Greenhouse Gas (GHG) emissions versus its 2019 baseline. This has been primarily aided by the investment in renewable energy sources and the realization of RE100 across its 5 manufacturing locations. In the process, all 5 ABB India owned manufacturing locations in the country have been certified as 'Green Factory Buildings' by the Indian Green Building Council (IGBC).

The Company has also enhanced water recyclability by ~12 percent versus the 2019 baseline and aims to become water neutral / positive across all locations by 2025. Currently, the Company recycles ~95 percent of the waste generated across all their facilities to realise the Company-wide long-term sustainability targets of zero waste to landfill.



Principle 7

Cooperation and collaboration to further industrial growth

- Affiliations with trade and industry chambers/ associations
- Global technology and local engineering - sharing best practices and engaging in sustainability journey with industry bodies
- Engagement in emerging areas of energy efficiency of buildings, cyber security, standardization and certifications across different product categories



Principle 8

Caring for our communities

- Fostering development of local economies by ~73 percent of local sourcing from same or neighboring districts where manufacturing campuses are situated
- Inclusive development of communities by enhancing access to best in class public infrastructure, providing access to primary health care to disadvantaged, vulnerable communities, improving education and providing life skills and opportunity focused on children and women

CASE STUDY:

Social development focused on public infrastructure upgradation

Peenya Industrial complex established in early 1970s is one of the biggest and oldest industrial estates in South East Asia. With more than 5000 companies, it is a major hub for industrial activities. ABB has been in Peenya for over decades and the Company saw an opportunity to take ownership and build a model road. The Company undertook the project with partners including Government bodies and created best in class public road with drainage systems, pavement construction, railings, streetlight, security cameras, road laying, road markings, signage installations and landscaping.



Principle 9

Consistently creating sustainable value for our customers

- The Company has implemented the Net Promoter Score (NPS) survey methodology to know how the Company is perceived by its customers
- Sustainability communication to customers on manufacturing and location origins of products including sustainability communication with its channel partners



ABB's 2030 sustainability strategy & goals

Supporting the 17 United Nations' Sustainable Development Goals (SDGs)



Support our customers in reducing their annual emissions by >100 Mt by 2030



Achieve carbon neutrality in our own operations



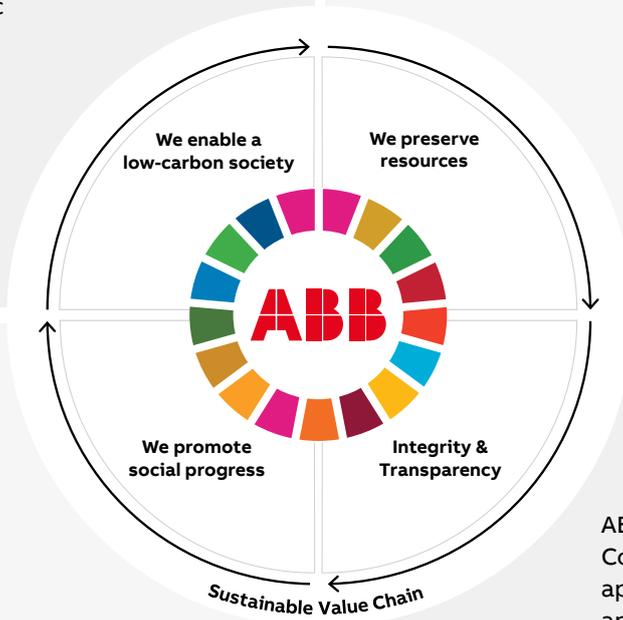
CO₂e emission reduction: systematic approach with impactful suppliers



Cover at least 80% of ABB portfolio with circularity approach



Zero waste to landfill while developing prevention of waste generation



Zero harm through LTIFR

25% female leaders



Employee engagement score in industry top tier



Impactful community engagement programs



Supplier Sustainability Program covered by SSBM program



ABB Code of Conduct-based approach to projects and counterparties



Supplier Code of Conduct compliance in procurement terms & conditions



Senior management sustainability incentive



Realizing sustainability

Achieving sustainability for the Company is through igniting innovation, initiating green programs that result in substantial cost savings.

The Company's sustainability focus is part of its commitment to responsible business practices, which is at the centre of its comprehensive governance framework, based on integrity and transparency. Its framework is underpinned by five of its integrity principles in ABB's Code of Conduct, which guides its employees, suppliers and its varied stakeholders to do the right thing and contains a commitment against retaliation. The key part of the Company's 2030 sustainability strategy in line with the ABB Groups is to support its customers and suppliers to reduce their emissions and achieve carbon neutrality across its operations. To ensure that the Company is focused on achieving its sustainability path, targets have been integrated into decision-making process and it has accountabilities and incentive plans in place to drive further action.

Several policies and standards are in place to underpin its sustainability core values, covering business ethics and governance, the Code of Conduct, and policies such as the Group Social and Human Rights the Supplier Code of Conduct, the Company's Health, Safety Environment, Security, and Sustainability Policy (HSE) and Corporate Social Responsibility (CSR) policies. The various policies are further reinforced by various ABB Group directives, instructions and management systems which are mandated within the Company's operations, manufacturing locations, project sites and with its vendors.

Sustainability goals and targets

The ABB Group sustainability strategy 2030 is focused on balancing the needs of society, the environment and the economy to create success for all its stakeholders. Main sustainability targets have been set and the Company strives to achieve all targets by 2030. Its goal and targets are mainly under three main groupings:

I. To enable a low carbon economy

1. Carbon neutrality in own operations
2. Support customers in reducing annual CO₂e emissions by >100 Mt
3. Supply chain emission reduction

II. To preserve resources

1. 80 percent of ABB products and solutions covered by circularity approach
2. Zero waste to landfill
3. Supplier sustainability framework

III. To promote social progress

1. Zero harm to the Company's people and contractors
2. Comprehensive Diversity & Inclusion framework; 25 percent women among ABB leaders
3. Top-tier employee engagement score in the industry
4. Impactful support for community-building initiatives

The ABB Way operating model developed by the ABB Group aims to conduct the tasks and the interrelated processes of the Company's business in the same way to achieve the objectives and create a culture of continual improvements. As part of this management system's Governance framework for Health, Safety, Environment, Security, Energy efficiency and Sustainability, a new operating model was introduced based on ISO 45001 and ISO 14001 standards and has been implemented at all ABB workplaces of the Company (factories / plant, customer sites, project sites and offices). Progress against the set targets are constantly monitored along with online reporting channels. Performance is being reported externally in the annual ABB Group Sustainability Report which is consolidated as per Global Reporting Initiative (GRI) guidelines. In India, the Company has been publishing its Business Responsibility Report (BRR) as per SEBI's requirement for disclosure on key sustainability indicators and published its first Business Responsibility and Sustainability Reporting (BRSR) last year voluntarily.

The Company's sustainability board upholds good sustainability governance, assures compliance with local legislations, ABB Group standards and customer expectations.

SECTION A: GENERAL DISCLOSURES**I. Details of the listed entity**

1.	Corporate Identity Number (CIN) of the Listed Entity	L32202K1949PLC032923
2.	Name of the Listed Entity	ABB India Limited
3.	Year of incorporation	1949
4.	Registered office address	Disha, Corporate Office, 3rd Floor, Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV, Peenya, Bengaluru - 560 058, Karnataka
5.	Corporate address	Same as above
6.	E-mail id	investor.helpdesk@in.abb.com
7.	Telephone	Tel: 080-22949113
8.	Website	http://new.abb.com/indian-subcontinent
9.	Financial year for which reporting is being done	2022
10.	Name of the Stock Exchange (s) where shares are listed	BSE Limited and National Stock Exchange of India Limited
11.	Paid-up Capital	42.38 crores
12.	Name and contact detail (telephone email address) of the person who may be contacted in case any queries on the BRSR report	Vimal SS Email: vimal.ss@in.abb.com Dhenuka Srinivasan Email: dhenuka.srinivasan@in.abb.com Tel: 080-22949151
13.	Reporting Boundary- Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements taken together)	Disclosures under this report are made on a standalone basis for ABB India Limited

II. Products / services**14. Details of business activities (accounting for 90 percent of the turnover):**

S.No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Electrification	Offers a wide-ranging portfolio of products, digital solutions and services, from substation to socket, enabling safe, smart, and sustainable electrification. Offerings encompass total and connected innovations for low- and medium voltage, including modular substations, distribution automation, power protection, wiring accessories, switchgear, enclosures, cabling, sensing and control	41
2	Motion	Offers a complete range of electrical motors, generators, drives and services, as well as integrated digital powertrain solutions. It serves a wide range of automation applications in transportation, infrastructure, and the discrete and process industries	39
3	Process Automation	Offers a broad range of solutions for process and hybrid industries, including industry-specific integrated automation, electrification and digital solutions, control technologies, software, and advanced services, as well as measurement & analytics, and marine offerings	18

** Robotics Business Area excluded as it would cross 90 percent of the turnover with the above three Business Areas

15. Products / Services sold by the entity (accounting for 90 percent of the entity's Turnover):

S.No	Product / Service	NIC code	% of total Turnover contributed
1	Large Motors & Generators	27101	8
2	Low Voltage Motors & Services	27103	18
3	Drive Products, System Drives and Traction Convertors	26109	13
4	Electricity Distribution Equipment, Protection & Control Equipment, Motor Starting & Safety, Switches & Fuse gear & associated service	27104	40.7
5	Manufacture of other wiring devices and fittings	27339	0.3
6	Industrial process control equipment	26517	18

III. Operations**16. Number of locations where plants and / or operations / office of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	8*	21	29
International*	0	0	0

Note: * 8 factories as per Factories Act 1948 licenses comprising of multiple plants adding up to 25 plants across 5 manufacturing locations.

17. Markets served by the entity:**a) Number of locations**

Location	Number
National (No. of States)	28*
International (No. of Countries)	5**

Note: *We serve pan India across all states

** International Locations: Bangladesh, Sri Lanka, Maldives, Bhutan, Nepal. We do not have office or manufacturing and serve these international markets.

b) What is the contribution of exports as a percentage of the total turnover of the entity?

12 percent

c) A brief on types of customers

The Company serves customers across all segments and to all types / categories viz., End users, Original Equipment Manufacturers (OEMs), Engineering Procurement and Construction (EPCs), Channel Partners, Distributors, Retailers, etc. (covering all types of companies). The Company works closely with industry, utility, transportation, and infrastructure customers, serving a diverse range of end-markets, including data centers, electronics, food & beverage, oil, gas & chemicals, cement, mining & metals, pharmaceuticals & healthcare, marine & ports, residential & non-residential buildings, automotive, railways & rolling stock, pulp & paper, renewables, conventional power generation, power transmission & distribution, smart cities, and water utilities.

IV. Employees**18. Details as at the end of the Financial year:****a. Employees and workers (including differently-abled)**

S.No	Particulars	Total (A)	Male (B)		Female (C)	
			No.(B)	% (B/A)	No.C	%(C/A)
Employees						
1	Permanent (D)	2,814	2,568	91.25	246	8.74
2	Other than Permanent (E)	80	53	66.25	27	33.75
3	Total employees (D+E)	2,894	2,621	90.57	273	9.43
Workers						
4	Permanent (F)	325	323	99.39	2	0.61
5	Other than Permanent (G)*	1,032	941	91.28	91	8.72
6	Total workers (F+G)	1,357	1,264	93.22	93	6.78

Note: *includes trainees, apprentices and fixed term contractors and retainers

b. Differently abled employees and workers:

S.No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently abled employees						
1	Permanent (D)	3	2		1	
2	Other than Permanent (E)	0				
3	Total differently abled employees (D+E)	3				
Differently abled workers						
4	Permanent (F)	0				
5	Other than Permanent (G)	3	3		0	
6	Total differently abled workers (F+G)	3				

19. Participation / Inclusion / Representation of women

	No and percentage of Females		
	Total (A)	No. (B)	% (B/A)
Board of Directors	6	3	50
Key Management Personnel	3	0	0

20. Turnover rate for permanent employees and workers

	FY 2022 (Turnover rate in Current FY)			FY 2021 (Turnover rate in Previous FY)			FY 2020 (Turnover rate in the year prior to the Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent employees	2,568	246	2,814	2,596	232	2,828	2,604	239	2,843
Resignation	272	51	323	183	29	212	146	19	165
%	1,072	21.13	1,1.62	7.05	12.50	19.5	5.61	7.95	13.56

*Note: No resignations for worker category

V. Holding Subsidiary and Associate Companies (including Joint ventures)**21. (a) Names of holding / subsidiary / associate companies / joint ventures**

ABB Asea Brown Boveri Limited – Holding Company. The Company does not have any subsidiary / associate companies / joint ventures as at the end of the year

VI. CSR Details**22. (i) Whether CSR is applicable as per section 135 of Companies Act 2013:**

Yes.

(ii) Turnover (in crore) : ₹ 8567.53

(iii) Net Worth (in crore) : ₹ 4939.00

VII. Transparency and Disclosures Compliance

23. Complaints / Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web-link for grievance redress policy)*	FY 2022 Current Financial Year			FY 2021 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities							
Investors (other than shareholders)	Yes						
Shareholders	Yes	325	0		151	0	
Employees and Workers (includes former employees)	Yes	23	6		31	10	
Customers	Yes	2,833	14		4,086	399	
Value Chain Partners (Channel Partners and vendors)	Yes	7	2		4	1	
Other (Anonymous reporters or others who does not fall under above categories)	Yes	19	3		14	6	
Total		50	11		51	18	

* The Company's Business Ethics Helpline is a channel for all its employees and stakeholders to report suspected violations of the ABB Code of Conduct, Supplier Code of Conduct, or applicable laws. Apart from this, the Customer Care Response Process (CCRP) is the process for the Company's customers to raise any grievance with the Company's product, system and solution offering and service portfolio.

The Company also has a dedicated email: investor.helpdesk@in.abb.com for addressing investor related queries.

Any complaints pertaining to sexual harassment can be raised by sending an email to: in-internal-committee-posh@abb.com

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environment and social matters that present risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format.

S. No	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Stakeholder engagement	Opportunity	Opportunity to engage and seek stakeholder inputs	A stakeholder engagement process is established and is followed. The Company has a continual stakeholder engagement process	Positive
2	Carbon reduction	Opportunity	Opportunity to move towards energy efficient fuel sources, use of renewable energy all while addressing climate change	Several initiatives are underway internally to focus on carbon reduction and address efficiency and overall reduce emissions and address climate change	Positive
3	Products Solutions and Services	Opportunity	Opportunity towards improving and implementing sustainability aspects in both products and services.	Internalized with R&D and all aspects of product and service management aspects	Positive
4	Operations-environment	Opportunity	Opportunity to bring in resource conservation and reduced costs along with mitigating negative impacts of non-compliances	All environmental compliances are met through a compliance tool and operational improvements undertaken to address key KPI under environment	Positive
5	Circular economy	Opportunity	Opportunity, circular economy can bring opportunities and positive impacts across industry- Make better use of finite resources, reduce emissions, protect human health and biodiversity and Boost economies. Create more and better jobs.	Exploring circular economy cases that can aid the Company and have resource conservation and multi stakeholder coordination to achieve sustainable impacts	Positive
6	Responsible Sourcing	Risk	To positively manage responsible sourcing, across the supply chain responsibility, and to seek voluntary commitment by on account social and environmental considerations when managing their relationships with suppliers. The lack of this can have non-compliance and reputational risk for the Company	Has programs and practices to review and assist suppliers to adhere to sustainable practices and bring supply chain sustainability into mainstream	Negative
7	Human Rights & labour	Risk	Responsibility to identify and manage human rights risks in its operation and supply chain and mitigate from adverse risks and consequential damages	Have Human rights policy and detailed process set along with due diligence procedures to evaluate Human rights risks at all levels of operations	Negative
8	Health and Safety	Risk	Managing safety and health is an integral part of managing a business. Businesses need to do a risk assessment to find out about the hazards and risks in their workplace(s) and put measures in place to effectively control them to ensure these hazards and risks cannot cause harm to employees and workers.	Several initiatives and programs have been initiated to address all aspects of managing health and safety and closely monitored for continual improvements	Negative
9	Ethics	Risk	ABB expects all its employees to abide by the standards for ethical conduct and integrity: Comply strictly with the ABB guiding principles that determine and implement our business ethics and that have zero tolerance for even the tiniest deviations.	ABB has a very stringent policy on ethics and Integrity that applies to all. The ABB Code of Conduct provides a framework for employees and stakeholders to put business principles into practice with utmost integrity.	Negative

10	Employee wellbeing	Opportunity	Employee wellbeing is critical to the Business operations and productivity and overall responsibility of the Company to manage wellbeing aspects of its critical stakeholder	Wellbeing initiatives such as resilience training and specific preventive health awareness sessions have been undertaken for employees and workers	Positive
11	Cyber threats, cyber risks/ attacks	Risk	Business resilience is an enterprise-wide aspect that encompasses crisis management and business continuity, and the need to respond to all types of risk that an organisation may face, from cyber threat to natural disaster, and much else besides.	Address and manage crises in both tangible and intangible aspects that may result in significant consequences. Appropriate firewalls, policies and frequent testing is carried out to mitigate cyber risks.	Negative
12	Diversity and Inclusion	Opportunity	The Company is powered by the diverse perspectives, skill sets and life experiences of their employees. To tap into the full potential of human diversity, the Company looks at diversity and create an inclusive working culture underpinned by a fundamental sense of belonging, fairness and equity, enabling people to bring their 'full self' to work and achieve operational efficiency	The Company has D&I focus with actionable plan to include diversity and inclusion in every way	Positive
13	Data privacy	Risk	Risk as non-compliance aspects. Laws global and local require strict adherence with respect to data privacy	At ABB respecting personal data protection rights is a priority. ABB has adopted global data protection standards to ensure a standardized and high level of protection of Personal Data which is processed by ABB Group Companies worldwide.	Negative

ABB conducted a comprehensive stakeholder engagement process in 2020 and identified the following topics as material.

The list of material topics served as a basis for developing the 2030 sustainability strategy and related targets.

Material topics:

- Business resilience
- Carbon reduction
- Circular economy
- Data privacy
- Diversity and Inclusion
- Employee well-being
- Ethics
- Health and safety
- Human Rights & Labor
- Operations-environment
- Products Solutions and Services
- Responsible Sourcing
- Socio-economic impact
- Stakeholder engagement

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by Director / Committee of the Board / Any Other Committee									Frequency (Annually / Half yearly / quarterly / Any other-please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action					Yes									On a regular basis				
Compliance with Statutory requirements of relevance to the principles and rectification of any non-compliances					Yes									On a need basis				

11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / no). If yes, provide name of the agency
 No

12. If answer to question (1) above is "No" i.e not all Principles are covered by a policy, reasons to be stated:
 – Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE



PRINCIPLE 1 Business should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Fostering a culture of integrity

The Company is committed to fostering a culture where integrity is woven into the fabric of everything that the Company does. Integrity is embedded in its people, businesses and processes.

The Company emphasizes on the importance of fostering an inclusive culture that allows employees to exercise their voice and speak up when they have questions or concerns. The Company understands and provides a culture of transparency to speak up and empowers everyone to work with utmost integrity, stand up to wrongdoings over other unacceptable practices, and be the cause for change. Along with the four values of Courage, Care, Curiosity and Collaboration, ABB’s Code of Conduct (CoC) has five integrity principles that provides guidance to everyday behaviours of all the Company’s employees. The CoC has been adapted to be available on mobile. The ABB CoC is also the foundation of the Company’s commitment to ethical behaviour and human rights.

The Company is committed to a high standard of integrity which is expected of every employee and in every aspect where the Company does business. ABB has seen the positive impact that a robust compliance and integrity program and a strong culture of integrity can have on the long-term success and sustainability of our Company. The Company’s Integrity team is led by the Company’s Regional General Counsel at the country level, supported by Division / Business Legal Counsels for critical legal and integrity-related matters. The integrity program works around the three principles of Prevent, Detect and Resolve. This is supported by appropriate tools, processes and a zero-tolerance policy for any violations.

Essential Indicators

1.

Percentage coverage by training and awareness programmes on any of the principles during the Financial Year:			
Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of the persons in the respective category covered by the awareness programmes
Board of Directors	4	<p>Independent Directors of the Company are familiarized on the Company's Core Values, Code of Conduct including the purpose and the business it operates in at regular intervals.</p> <p>At each meeting of the Board / Audit Committee, members also deliberate on key integrity matters that help to reflect and focus on key strategies. As a part of the Board, Audit and CSR agenda, members also discuss various sustainable initiatives of the Company, including regulatory and economic trends in the country.</p> <p>Executive and Non-Executive Directors being part of ABB leadership group, also undergoes familiarization on various topics like integrity, sustainability, human rights, diversity and inclusion etc.</p> <p>As a result of all the above awareness, strong brand and governance framework is put in place, which helps us to be a more focused and successful company that creates value through its products and services.</p>	100
Key Managerial Personnel	3	<p>Key Managerial Personnel are part of ABB leadership group, and undergo familiarization on various topics like integrity, sustainability, human rights, diversity and inclusion etc.</p> <p>This helps the KMP's to drive the Company's values and purpose in all key business activities.</p>	100
Employees other than BoD and KMPs	2814*	<p>Integrity awareness covering Code of Conduct, Anti-Trust, GDPR and Respectful workplace.</p> <p>Awareness by way of periodical internal communication on sharing Integrity cases and action taken / lessons learnt are covered through Straight Talks.</p>	100
Workers*	1357	ABB Code of Conduct	100

Note: *A total of 2010 employees (72 percent of the total) underwent in person trainings, while all employees mandatorily undertook online modules.

** Training on integrity and ABB Code of Conduct is imparted to all workers across locations through face to face / classroom sessions

2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators / law enforcement agencies / judicial institutions in the financial year, in the following format.

(Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary				
NGRBC Principle	Name of regulatory/ enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/no)
Penalty / fine				
Settlement		NIL		
Compounding fee				
Non-Monetary				
NGRBC Principle	Name of regulatory/ enforcement agencies / judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/no)
Imprisonment				
Punishment		NIL		

3. Of the instancing disclosed in question 2 above, details of Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

– NIL

4. Anti-Corruption or Anti-Bribery policy

The Company has a Code of Conduct where anti-corruption and anti-bribery aspects are comprehensively covered.

Total number of awareness programs held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programs
A number of awareness programs were conducted such as ABB Code of Conduct Supplier Code of Conduct, Conflict of Interest, Data Privacy etc.,		

- The Company's Anti-Corruption Policy, stated explicitly in the ABB Group directive on bribery and anti-corruption, emphasizes key components essential for ensuring strict compliance to anti-bribery and anti-corruption laws.
- The ABB Business Ethics Helpline was introduced by ABB Group in 2006 for the purposes of providing all ABB employees and stakeholders with a means to report suspected violations of the ABB Code of Conduct, Supplier Code of Conduct, or applicable laws.
- The Company has an Internal Committee for the prevention of sexual harassment and redressal of complaints. In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Internal Committee has been constituted at each location and establishments (all locations where more than 10 women are employed).

Please refer page no. 85 for policy on Prevention of Sexual Harassment of Women at Workplace.

5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:

	FY 2022 (Current Financial Year)	FY 2021 (Previous Financial Year)
Directors		
KMPs		
Employees		NIL
Workers		

6. Details of complaints about conflict of interest.

	FY 2022 (Current Financial Year)		FY 2021 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors				
Number of complaints received in relation to issues of conflict of Interest of the KMPs			NIL	

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions on cases of corruption and conflicts of interest

– Nil

1 Leadership Indicators

Awareness programmes conducted for value chain partners on any principles during the financial year

In the Company's Supplier code of Conduct and general terms and conditions, the Company has emphasized all integrity aspects which are applicable to all suppliers.

Total number of awareness programmes held	Topics / principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
5	ESG Initiatives, Carbon Neutrality, Water Positivity, Zero Plastic	23

2 Processes in place to avoid / manage conflict of interests involving members of the Board

The Company's Code of conduct specifically covers the topic of Conflict of Interest which includes BoD's as well.



PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Innovation and Research

Each year, ABB invests significantly in research and development, focusing on developing and commercializing the technologies, products and solutions of its businesses that are strategically important to its future growth. Globally the organization has approximately 7000 employees in research and development, and more than 60 percent are focused on software and digitalization. The ABB Group has corporate research centres in 7 countries, of which the Indian facility is one of the largest and most well-equipped. With a number of highly skilled scientists and professionals, it serves as a hub for the ABB Group and the Company's R&D needs.

The organization views universities as incubators of future technology. Among the several tasks of the R&D team, transforming university research into industry-ready technology platforms holds great importance. ABB also partners with more than 100 leading universities and research institutions around the world to build research networks and foster new technologies. The Company has also invested and partnered with premium research intuitions and universities for long-term, strategic relationships and R&D work. Its existing partnerships are focused on developing long-term disruptive technologies as well as mid-to short-term evolutionary innovations for its existing products and services.

ABB develops platforms for technology applications in its businesses through a focus on continuous product development and order-related engineering work. By striking a balance between short-term and long-term research, and development programs ABB optimizes its return on investment. The intellectual property is protected by patents, copyrights and other appropriate IP protection mechanisms.

To complement the business-focused product development, the businesses also invest together in collaborative research activities covering topics such as artificial intelligence, software, sensors, control and optimization, mechatronics and robotics, power electronics, communication technologies, material and manufacturing, electrodynamics or electrical switching technologies.

Essential Indicators

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of products and processes total R&D and Capex investments made by the entity, respectively

– Not Available

ABB's investments in R&D have contributed to establishing it as one of the world leaders in technology. Technology has been deeply embedded in its DNA since its founding and has carried the organization through its century-long history. It has helped come up with effective solutions for customers' and partners' toughest challenges.

ABB is focusing not only on business development but also on R&D and Capex investments that help improve environmental and social impacts. It is working to increase its portfolio of energy-efficient products, through its own R&D, and through collaborative partnerships and acquisitions. An estimated 70-80 percent of the ABB Group R&D budget goes to products, systems and services that help customers reduce their GHG emissions.

2. Supply chain sustainability

ABB has implemented Sustainable Supply Base Management (SSBM) program, to improve the sustainability performance of our suppliers, especially those exposed to sustainability risks. As part of the program, ABB conducts on-site evaluations, training and special projects to support suppliers, monitoring performance to make sure we are aligned on our commitments and obligations. Through collaboration with business partners, the Company aims to enhance supplier relationships, ensure the highest quality standards and create a sustainable supply chain.

The ABB Supplier Code of Conduct (SCoC), published in multiple languages, clearly explains the requirements with regard to areas such as human rights, fair labour conditions, business ethics, health & safety and environment & material compliance, as part of ABB's general terms and conditions from its existing and potential business partners. The Company transitioned its successful Supplier Sustainability Development Program last year which is now anchored by the Company's Business Supply Chain teams. This program helped the participating suppliers identify and mitigate risks and strengthen their systems. Apart from this the Company made strides in organizing several suppliers meets with focus on Climate change initiatives across its supply chain.

3. Describe the processes in place to safely reclaim your products for reusing recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

– Not Available

4. Whether Extended Producer responsibility (EPR) is applicable to the entity's activities (yes/No) if yes, whether the waste collection plan is inline with the Extended Producer Responsibility.

(EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Responsible sourcing has been an area of focus for many years for the Company, with a series of policies and programs in place to strengthen performance and partnerships in the supply chain.

Through collaboration with its business partners, the Company aims to enhance supplier relationships, ensure the highest quality standards and create a sustainable supply chain. With a large and complex supply chain, this is a considerable undertaking, but it is central to business success. Efforts are underpinned by governance measures such as the ABB Supplier Code of Conduct and global initiatives like the Supplier Sustainability Development Program. The Company's SSBM program governs its Sustainability assessments with select vendors. At the supplier qualification stage the supplier needs to answer a self-assessment questionnaire which focuses on various sustainability aspects including other business requirements. Depending on the result of this self-assessment and other important parameters, further due diligence are implemented. Once the supplier is part of our supply base then a risk-based approach is followed for monitoring their sustainability performance which includes deep engagement with the selected suppliers for training, onsite assessment & follow up audits till closure of all findings.

The Company also evaluates its select suppliers and vendors to their commitment to the Company's sustainability agenda. All vendors are evaluated on their sustainability commitments and mandatorily sign the ABB Supplier Code of Conduct.

The Company practices responsible sourcing with respect to environment safety, human rights and ethics and integrity and part of all vendors economic considerations. All vendors are also mandated to strictly comply and confirm with respect to labour and compliance related to law and are mandatory requirements for all suppliers to qualify.

Leadership Indicators

1. Life Cycle Perspective / Assessments (LCA) for its products (for manufacturing industry) or for its services (for service industry)

ABB Group uses a process called the ABB Gate Model for product and technology development. Sustainability aspects are built into this model and include a standardized LCA procedure. The ABB Group also develops Environmental Product Declarations (EPD) to communicate the environmental performance of core products over its entire life cycle. EPDs are based on detailed LCA studies conducted using the LCA model and declared according to international standard ISO/TR 14025. LCAs and EPDs are coordinated and reached at the ABB Group level. Thus far the ABB Group has conducted these assessments for over 70 ABB products and these also have EPDs. EPDs provide quantitative information on all concerned aspects in comparable terms, for example energy used, resources, materials used, global warming effects and use of non-renewable resources in each one of the phases.

2. If there are any significant social or environmental concerns and /or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along with action taken to mitigate the same.

– NIL

3. Percentage of recycled or reused input material to total material (by value) used in production 9 for manufacturing industry) or providing services (for service industry).

– Not Available

4. Reclaimed products and their packaging materials (as percentage materials as percentage of total products sold in respective category)

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Nil	

1.b Details of measures for the well-being of workers:

Category	FY 2022 - % of workers covered by:										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care facilities*	
		No (B)	% (B/A)	No (C)	% (C/A)	No D	% (D/A)	No (E)	% (E/A)	No (F)	% (E/A)
Permanent workers											
Male	323	323	100	323	100	0	0	13	4.02	0	
Female	2	Self-funded	100	2	100	0	0	0	0	0	
Total	325		100	325	100					0	
Other than Permanent workers											
Male	941	918		941	100	0		0		0	
Female	91	76		91	100	0		0		0	
Total	1032	994		1032	100	0		0		0	

Note: * 133 employees covered under Insurance & 190 employees cover under self-funding.

2. Details of retirement benefits for Current Financial Year and Previous Financial Year:

Benefits	FY 2022 Current Financial Year			FY 2021 Previous Financial Year		
	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)	No of employees covered as a % of total employees	No of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A)
PF	99.83	91.59	Yes	99.83	92.42	Yes
Gratuity	93.78	23.95	Company Contribution	97.17	0	Company contribution
ESI	0	68.97	Yes			Yes
Others- please specify						

3. Accessibility of workplaces

The premises/offices of the entity are accessible to differently abled employees and workers as per the requirements of the Rights of Persons with Disabilities Act, 2016. The Company is committed to having an inclusive and diverse workforce. Aspects of accessibility and equity are equally important and are considered. All of the Company's existing and new infrastructure has a comprehensive plan to address the accessibility of workplaces, especially for differently abled people. The work areas, rest rooms, common areas and areas for movement in and around facilities have been designed with all accessibility aspects in mind.

4. Equal opportunity for persons with disabilities

ABB's Equal Employment Opportunity (EEO) and Affirmative Action Employer encourage diversity in the workplace. All qualified applicants receive consideration for employment without regard to their sex, gender identity, sexual orientation, race, colour, religious creed, national origin, physical or mental disability, protected Veteran status, or any other characteristic protected by law. In line with Rights of Persons with Disabilities Act, 2016, differently abled persons too receive equal treatment.

Weblink: Equal Employment Opportunity Policy (refer page no. 85)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Non-Permanent workers	
	Return to work rate %	Retention rate %	Return to work rate %	Retention rate %
Male	100	100	100	100
Female	100	100	N.A*	N.A*

Note: * no maternity cases due the year under this category and hence not applicable

6. Mechanism to receive and redress grievances

Employees can report their concerns to their manager, any member of legal and integrity team, member of human resources, or alternatively, through their country specific Business Ethics Helpline number. All stakeholders that have a business relationship with ABB have multiple communication channels: Telephoning the ABB stakeholder helpline at + 41 43 317 33 67 (international call rates apply). This service is provided by an independent third party and is available 24 hours a day, 7 days a week. Reports can only be made in English which can be tracked. Communication can be made also through a web portal- <https://abbgroup.ethicspoint.com> (refer page no. 85). Country hotline is also available at toll-free number: 1800 420 0707.

Mechanism available to receive and redress grievances for the following categories of employees and worker	Yes/No (If yes, then give details of the mechanisms in brief)
Permanent Workers	
Other than Permanent Workers	Yes (as above)
Permanent Employees	
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or unions recognized by the listed entity:

The Company has unions at its factory locations representing workmen. All permanent workmen are members of the unions and are covered and governed by Collective Bargaining Agreements signed with respective locations.

The list of unions as below:

1. Bangalore Location – ABB Employees Union
2. Faridabad Location – Hindustan Electric Union
3. Nashik Location – Association Engineering Workers
4. Vadodara Location – HBB Staff Association and ABSA Employees Union

All permanent workmen both male and female are member of the recognized union at the respective locations.

8. Details of General Training given to employees and workers:

Category	FY 2022 (Current Financial Year)				
	Total (A)	General Training		On overall skill upgradation	
		No (B)	% (B/A)	No (C)	% (C/A)
Employees					
Male	2621	2920	111.41	807	30.8
Female	273	302	110.62	117	42.8
Total	2894	3222	111.33	924	31.9

Note: The Company focused on several general trainings and skill development training during the year and clocked more than 100 percent coverage of these trainings from employees including repeat sessions for some employees

8.a Details of HSE specific trainings given to employees and workers:

Category	FY 2022 (Current Financial Year)				FY 2021 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On skill upgradation*	Total (D)	On Health and safety measures		On skill upgradation	
		No (B)	% (B/A)			No (C)	% (C/A)		No (E)
Employees									
Male	2568	2568	100		2573	2146	83		
Female	246	246	100		316	216	68		
Total	2894	2894	100		2889	2362	82		
Workers (Contract employees)									
Male	1264		100		156	125	80		
Female	93		100		2627	2497	95		
Total	1357		100		1077	938	87		

Note: *HSE training is given to all employees on a regular basis including for new joiners and workers. Detailed safety review and training are provided to contractors and workers based on job risks. Skills upgradation on HSE is for a select few for specific requirement as approved for select programs/courses by ABB Business.

9. Details of performance and career development reviews of employees and workers.

The Company takes ownership for the roles and its contributions, and how it adds value and productivity to drive its business forward. The People performance management process of the Company has been set to foster a performance culture through its people.

The components of the People Performance Management process include Performance goals, Feedback, Performance reviews and check-ins and Performance and Development Appraisal (PDA). It has components of:

- Mutual accountability to deliver results and improve performance
- The courage to communicate openly and honestly about performance and development needs of its employees
- Care about what is done (results and deliverables) and how it is done (behaviours)
- Collaborate to learn from each other and find ways to build on strengths
- Curiosity and actively seeks and gives feedback to perform at its best and learn from successes and failures. The Company recognizes and rewards for its employee's achievements and meaningful contributions and have the opportunity to grow.

Throughout the year line managers and employees regularly review and discuss performance, development and career path for all employees. The Company seeks to align its employee interests and business needs through this dialogue. Outcomes from performance reviews are agreed upon as a development plan and key development actions are set for the employee to build and develop on each year. All employees undergo these career development reviews. With regards to the worker category, they are covered under the long-term settlement / collective agreements with the unions.

10. Health and safety management system

The Company is committed to putting Health, Safety, Environment and Sustainability Affairs (HSE / SA) at the centre of all its activities, including materials sourcing, product design, operations and services. In addition to fulfilling its compliance obligations to legal and other requirements, it is committed to:

- Provide safe and healthy working conditions for the prevention of incidents and work-related illness.
- Manage health and safety at Factories, Offices and Customer Sites and prevent undesired events and eradicate unsafe acts and unsafe conditions to achieve zero harm vision
- Ensure the availability of information and invest to achieve its objectives and targets.
- Promote a "don't look the other way" culture to raise awareness, ownership, report unsafe behaviours, engage employees and recognize good practices.

11. Details of safety-related incidents:

Safety Incident / Number	Category	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per 200,000 person hours worked)*	Employees	0.01	0.01
	Workers	0.02	0.07
Total recordable work-related injuries	Employees	5	3
	Workers	5	6
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	1

Note: *LTIFR at the Company is calculated per 200 000 worked hours: (i.e number of LTI + number of Serious Injuries * 200 000 /number of hours worked).

12. Measures taken to ensure a safe and healthy workplace

The Company is committed to providing a work environment that is as safe as reasonably practicable. The goal is to achieve and sustain zero injuries throughout all of its operations. The Company intends to achieve this, the ABB Way, by using a systemic, proactive approach when identifying hazards and risks and to ensure that there are processes and procedures in place to eliminate or significantly reduce these risks before people are exposed.

The ABB Way defines how we manage Health, Safety, Environment / Sustainability Affairs (HSE/SA) at ABB, and sets clear expectations and the required minimum standards, which shall be implemented and embedded into all ABB operations and activities. The implementation of the ABB Way for HSE/SA is part of ABB's suite of responsible business practices that contribute towards meeting its 2030 Sustainability Commitments.

The HSE/SA governance defines its policy, organization and standards to meet its objectives. It updates these items regularly to ensure that its governance consistently embodies its values and strategic direction.

- ABB & you initiative defines its individual roles and responsibilities and secures the necessary resources for the implementation and maintenance.
- Planning & risk analysis identifies opportunities to eliminate hazards, and to reduce risks and adverse impacts
- Competence, communication & support: It aims provide training, information and support to ensure good participation and consultation of colleagues for ideas and effectiveness of its programs
- Operations specify adequate risk controls and manage change.
- Monitoring & measurement assesses the status of operations and objectives and drives priorities and performance.
- Learning from experience ensures that shares good practices and support continuous improvement of its HSE/SA performance.

13. Number of Complaints on the following made by employees and workers on working conditions and Health and Safety

– NIL

14. Assessment for the year:

Safety Incident / Number	% Of your plants and offices that were assessed (by entity or statutory authorities or third parties)*
Health and safety practices	100
Working conditions	100

Note: The Company's factories are assessed in line with ISO 45001 & ISO 14001 requirements by third party agencies

15. Corrective actions to address safety-related incidents (if any), and HSE risks / concerns arising from assessments, practices and working conditions

To mitigate the risks associated with this flexible, decentralized approach to safety, the Company's Business Areas and their Divisions are required to take full ownership of their respective safety programs. They are thus fully accountable for delivering results commensurate with our Group's strong commitment to safety. Furthermore, to increase corporate monitoring of corrective actions and lessons learned, the Company is strengthening the governance of ABB's safety activities via regular council meetings and steering committees. In this way, ABB's corporate leadership and its Business Areas can identify, align and collaborate on company-wide improvement programs.

Diversity and Inclusion (D&I)

A culture of diversity, inclusion and equal opportunity is critical to the Company's business success and makes it stronger. The Company strives for a culture where individual differences are not only welcomed but celebrated. The Company seeks to create an inclusive environment where everyone feels safe, treated with respect, and can succeed. The four values, Courage, Care, Curiosity, and Collaboration guide and shape the actions of the Company and interactions with each other, its customers, partners and society as a whole.

The Company's D&I journey at ABB began with a focus on gender and has expanded to include LGBTQ+, abilities, generations, and ethnicity. The Company has conducted 16 sessions covering 382 ABB India leaders on interrupting "Unconscious bias" to build an inclusive culture.

Diversity Dimension: Gender

The Company has successfully conducted its flagship Women Leadership program called RISE and so far, 91 percent of the enrolled women employees have completed the program. The Company has also designed a unique program called “With her beside her” collaborating with its CSR team and external partner focused on women education skilling and empowerment. This program is designed to help elevate the impact of women – enabling them to navigate the business landscape, the social challenges, develop and leverage their talents, and step into roles of greater influence. Part of this initiative mentor - mentee program has been rolled out to build a peer network for collegial learning as well as gain exposure to different ABB leaders and speakers. There are 33 mentors in this program from the Company and 41 mentees who are underprivileged yet meritorious engineering students who are connected and this was successfully launched during the year. This initiative also received an external award.

Diversity Metrics	% Current year 2022	% Previous year 2021	% Previous to previous year 2020
Diversity %	19.1*	15.4	14.3

Note: * this at ABB in India (with 8.1 percent at the Company level during the year)

Leadership Indicators

1. Life insurance or any compensatory packages

Life insurance and compensatory packages are extended to the Company’s employees and workers in the event of death.

2. Measures undertaken to ensure that statutory dues have been deducted and deposited by the value chain partners

The Company follows a detailed compliance procedure to ensure all statutory clearance and compliances are met by its vendors.

The Company is regularly depositing undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees’ State Insurance, Income-Tax, Sales-Tax, Service Tax, a Duty of Customs, a Duty of Excise, Value-added Tax, CESS and other statutory dues to the appropriate authorities and compliance of this is rigorously followed including for all of its vendors. These aspects are also checked as part of vendor compliance due diligence while onboarding new vendors and on an ongoing basis as well.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

– NIL

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

– No

5. Details on assessment of value chain partners for health and safety practices and working conditions

– Refer supplier sustainability section

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

– Refer supplier sustainability section



PRINCIPLE 4: Businesses should respect the interests of and be responsive of all its stakeholders

Listing to and engaging with stakeholders

Through meaningful dialogue and close cooperation with key stakeholder groups, the Company works to shape its positions and policies to reflect the full range of its stakeholders' perspective. In recent years many of the Company's key stakeholders – customers, investors, suppliers, representatives of civil society and employees – have been increasingly interested in different aspects of sustainability performance of the Company.

Continuous engagement, focused interactions and consultations with both external and internal stakeholders at the global and national levels, helped ABB prioritize its sustainability goals. Inputs from these endeavours were instrumental in developing the ABB Group Sustainability Strategy 2030 and outline those areas of sustainability that are material to its business success.

Essential Indicators

1. Key stakeholder groups:

The ABB Group has produced a systematic approach to holding an effective sustainability stakeholder dialogue. The following are the key identified stakeholders and details of interactions with them by the Company:

2. Key identified Stakeholders	Details of stakeholder interactions
Business	
Customers	Various customer focused seminars / events and programs
Suppliers	The SSBM and continuous ongoing interactions with vendors
Investors	Annual general body meeting, quarterly analyst call, one to one meeting (need basis), factory visits (on request)
Employees	Various employee welfare programs, ongoing HSE and sustainability programs, and awareness cum training sessions
Competitors	Through industry bodies, associations, seminars, exhibitions and events
Government and Regulators	
Regulators	Meetings and interactions for compliance requirements, permits etc.
Trade bodies	Seminars, conferences and sharing good practices
Civil Society	
International organizations	Partnerships for R&D and CSR activities
Local communities	Ongoing interactions for CSR activities with the communities
Academia and scientific community	Ongoing R&D and educational partnerships, seminars meetings, campus connect programs, and one on one interactions
Media	Seminars, meetings, and one on one interactions for communication and branding
NGOs and civil society organizations	Partnerships and interactions for implementation of CSR agenda
Trade Unions	Right of all personnel to form and join trade unions of their choice and bargain collectively

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental and social topics or if consultation is delegated how is feedback from such consultations provided to the Board**

Role of Stakeholder Consultation in the identification and management of environmental and social topics

In recent years ABB at the Group level has been carrying out surveys with stakeholders on its material ESG topics and this feedback is being taken into consideration while formulating and refining the sustainability strategies and priorities. Consultations with both external and internal stakeholders both at the global and country level were instrumental in developing the ABB Group Sustainability Strategy 2030.

The Company Managing Director, CSR head, HSE head shares various insights on ESG topics to the members of the Board on a regular basis.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics**

– Yes, as above

3. **Vulnerable / marginalized stakeholder engagement**

Women, the elderly, adolescents, youth, children, and persons with disabilities, are some of the key vulnerable groups identified during our stakeholder engagement, as they experience the highest degree of socio-economic marginalization. These groups become even more vulnerable in emergencies. The Company, in line with ABB CSR policy, prioritizes the needs of these groups and gives them quality assistance by engaging with institutional partners who work with them. Several programs under the Company's CSR have been implemented to address the above vulnerable groups.



PRINCIPLE 5 Businesses should respect and promote Human Rights

Recognizing Human Rights

ABB recognizes 'respect for human rights' to be one of its core principles and has therefore included this value in ABB Code of Conduct, ABB Human Rights Policy and the ABB Sustainability Strategy 2030.

ABB is committed to the Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the ILO Core Conventions on Labour Standards, the UK Modern Slavery Act and other similar standards for upholding human rights.

Apart from being a long-standing and active member of the Global Business Initiative on Human Rights and the UN Global Compact, the ABB group also engages with several NGOs to uphold the human rights of vulnerable groups.

A Human Rights Working Group with dedicated Human Rights Champions for each of the business areas, like marketing and sales, procurement and operations, works to better embed human rights in the internal processes is in place. Our Human Rights Champions have also been nominated in relevant business countries as experts on human rights.

Essential Indicators

1. **Employee and worker training on human rights issues and policy (ies)**

The 'Advanced Awareness and Competence Building Program' launched in 2019, is followed to deeply integrate human rights principles into all of ABB's business processes.

Human rights awareness is an important part of the induction session for all employees. All Division's management teams and employees are regularly updated on the relevant Human rights training through e-modules on the Company's learning management platform, as well as classroom sessions (for on ground workforce).

The Human Rights Champion is responsible for organising regular training programs at the Business level to ensure a 100 percent of our workforce is trained on human rights awareness.

2. Details of minimum wages paid to employees and workers

As both Central and State Government have authorization over fixing the wages, the State governments fix their own scheduled employments and further release the rates of Minimum Wage along with the VDA (Variable Dearness Allowance). Wage boards are set up to review and fix minimum wages at specified intervals. The wage rates in scheduled employment differ across states, sectors, skills, regions and occupations owing to a lot of differentiating factors. Hence, there is no single uniform minimum wage rate across the country and the revision cycle differs for each state. However Minimum wages are paid and adhered to by the Company as per the Minimum Wages Act, 1948.

3. Details of remuneration /salary/wages

	Male		Female	
	Number	Median remuneration/ salary / wages of respective category	Number	Median remuneration / salary / wages of respective category
Board of Directors (BoD)	3	*	3	*
Key Managerial Personnel	3	23607480	0	0
Employees other than BoD and KMP	2565	1447000	246	1032500
Workers	323	1119508	2	1581832

* Note one director is remunerated by the Company. Independent directors are paid by way of sitting fees and profit related commission equal to male and female categories

4. Focal point (Individual / Committee) responsible for addressing human rights impacts issues caused or contributed to by the business

To ensure the most salient human rights risks are understood and managed across ABB, the Company has the following systems in place

- An operating model has been rolled out that brings human rights accountability and expertise to all ABB Divisions, beyond the Corporate and the Group level.
- A Human Rights Working Group which includes representatives from the four Business Areas and aims to amplify human rights concerns in everyday decision-making and promote cross-business and functional collaboration.
- A growing network of human rights champions appointed in all domains -from marketing and sales to supply chain management and operations – responsible for identifying assessing and managing human rights risks and implement trainings, internal audits and risk analysis

5. Internal mechanism to redress grievances related to human rights issues

Employees may raise concerns directly to any representative of management, Human Resources department or Legal & Integrity department. ABB has zero tolerance for any form of retaliation, retribution, or dismissal.

In addition, the ABB Business Ethics Helpline provides both employees and stakeholders web and telephone access to report suspected violations of the ABB Code of Conduct, the Supplier Code of Conduct, or applicable laws.

A one-click access to the Helpline web portal is publicly available. ABB Code of Conduct mobile app has also been made available to employees and to its stakeholders.

Any reported concern is assigned to one of the ABB investigators for further assessment and review. If appropriate, the Company takes interim corrective actions during the pendency of the investigation. Once the investigation is complete, and if the concern is substantiated, the case may be reported to an internal disciplinary committee that decides whether further corrective or disciplinary actions are appropriate to be taken up.

6. Details of complaints made by employees and workers

	FY 2022 Current Financial Year			FY 2021 Previous Financial Year		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	3	0		2	0	
Discrimination at workplace (Discriminations based on caste, age, gender, ethnic backgrounds, or other factors etc.)	8	1		0	0	
Child labour	Nil	Nil		Nil	Nil	
Forced labour / Involuntary Labour	Nil	Nil		Nil	Nil	
Wages	Nil	Nil		Nil	Nil	
Other human rights related issues	Nil	Nil		Nil	Nil	

7. Mechanisms to prevent adverse consequences to the complaints in discrimination and harassment cases.

This is as per the ABB Code of Conduct. The investigation and the disciplinary process are confidential. ABB has a no retaliation policy and does not tolerate any adverse employment action taken against an employee who raises an integrity concern. Any employee who retaliates against another employee or contractor for raising an integrity or human right concern or cooperating in an integrity investigation will be subject to discipline, up to and including termination of employment.

8. Human rights requirements as part of business agreements and contracts

All agreements with external stakeholders have to mandatorily adhere to and comply with ABB Code of Conduct and consequently, the stipulated human rights requirements. ABB is reinforcing Human Rights principles in third party management, in tender risk review and in frame agreements.

9. Assessments for the year

100 percent of the Company's plants and offices have been assessed for human rights risks like child labour, forced / involuntary labour, sexual harassment, and discrimination.

10. Corrective actions taken or underway to address significant human rights risks or concerns

ABB has established an effective base for supplier screening, qualification and monitoring, as well as while handling mergers and acquisitions.

The Company is now focusing on strengthening project screening processes which help in arriving at informed decisions and flag all potential negative social and / or environmental impacts throughout a project lifecycle. Additionally, the Company is increasing self-assessments and periodic audits of operations to uncover possible human rights risks. This internal assessment program for Company's sites covers employees as well as contractors.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

- The Company's business processes are being modified / introduced to address human rights grievances / complaints
- The Company's premises are accessible to differently-abled visitors per the requirements of the Rights of Persons with Disabilities Act, 2016

2. Details of the scope and coverage of human rights due diligence conducted.

– Yes

3. Is the premise/office of the entity accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act, 2016?

– Yes

4. Details on assessment of value chain partners

		FY 2022
Value chain Partners assessed		% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Yes	
Discrimination at workplace	Yes	
Child labour	Yes	
Forced / involuntary labour	Yes	4
Wages	Yes	
Others - Please specify	Working conditions, safety, environmental compliance, GHG emissions and environmental initiatives	

5. Corrective actions taken or underway to address significant risks / concerns arising from the above assessment

A new Supplier Code of Conduct has been rolled out during the year further emphasizing supplier adherence to the companies code of conduct and Sustainability governance. There have also been several internal audit and self-assessment expansion to the significant manufacturing and service sites by business supply chain teams in line with the SSBM program of the ABB Group.



PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

The Company is committed to continually improving Environmental, Social and Governance (ESG) through a process that is in line with the ABB 2030 sustainability commitment & targets. The Company has clearly defined 3 milestones-based approaches to realize its environment goals:

- i. Green factory buildings
- ii. Green manufacturing
- iii. Green products

i. Green factory buildings-related initiatives

In order to strengthen its sustainability commitment across its operating premises, the Company took various sustainability initiatives in line with Leadership in Energy and Environmental Design (LEED) & Indian Green Building Council (IGBC) requirements where it focused on various parameters such as Energy efficiency enhancement, utilization of green power, Water management etc. The Company stands as a trailblazer in advancing the Green Building Movement in India.

ii. Green manufacturing-related initiatives

Green manufacturing-related initiatives aim to achieve positive environmental impacts involving the Company and the value chain partners as well. Company has derived a clear strategy and action plan for realising low Carbon operation with minimum resources utilisation for their operation. In order to establish the low carbon manufacturing process, company is working towards realising its goal of RE100, EP100 & EV100 goals.

In line with National Water Mission’s (NWM) “Catch the Rain” campaign three of the Company’s manufacturing units initiated rainwater harvesting projects based on the Central Ground Water Authority (CGWA) and IGBC guidelines. The Company has improved water recyclability by 14 percent during the year compared to the previous.

In line with its circularity approach, the Company has achieved close to 95 percent of waste recyclability, and further working towards addressing non-recyclable waste to achieve Zero waste landfill goal.

Environmental safeguard beyond compliance

There were no monetary fines/ penalties for environmental non-compliances paid by the Company during the year. In line with its sustainability commitment 100 percent of its factories have been certified as “Single Use plastic free” beyond compliance requirements.

Driving Sustainability across Value chain

“Sustainable Supplier Summit 2022” was conducted in quarter 3 of year at ABB Nelamangala Factory in collaboration with Confederation of Indian Industry (CII) where selected key suppliers participated. The primary objective of the ‘Sustainable Supplier Summit’ was to share the ABB’s approach towards establishing a sustainable supply chain and bring awareness on various sustainable aspects like Health Safety, Environment, and Human Rights with a specific focus on climate change and its mitigation. This was achieved through showcasing best practices implemented at its factories.

Another “Sustainable Logistic partner Summit-2022” was conducted at the Company’s Peenya Factory. This event was conducted in collaboration with The Energy & Resource Institute (TERI) where selected downstream logistic partners representing different ABB divisions participated. During the event, ABB as well as logistic partners shared their sustainability initiatives and committed towards strengthening the greenhouse gas accounting process along with reduction initiatives to establish a low carbon value chain.

Essential Indicators

1. Details of total energy consumption (in MWh) and energy intensity

Parameter	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
Total electricity consumption (A)	22036	18580
Total Fuel consumption (B)	2745	2224
Energy consumption through other sources (C)		
Total energy consumption (A+B+C)	24781	20804
Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees)	2.89	3
Energy intensity (optional)- the relevant metric may be selected by the entity	-	-

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd, and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance , Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

– No

3. Water-withdrawal Disclosures

Parameter	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
Water withdrawal by source (in KL)		
(i) Surface water	59846	51682
(i) Groundwater	120234	92083
(ii) Third party water	2258	1770
(iii) Seawater / desalinated water	0	0
(iv) Others (Rainwater harvesting)	1727	130
Total volume of water withdrawal (in KL) (I + ii + iii+ iv + v)	184064	145665
Total volume of water consumption (in KL)	182937	145665
Water intensity per rupee of turnover (Water consumed / turnover)(KL/₹ - Crores)	21.35	21.01
Water intensity (optional) – the relevant metric may be selected by the entity	0	0

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd, and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022

4. Mechanism for Zero Liquid Discharge

The Company has installed highly efficient waste water treatment systems (STP & ETPs) across all its manufacturing facilities. In line with Zero Liquid Discharge (ZLD) principle, all of the Company’s manufacturing facilities are recycling treated waste water for gardening as well as flushing purposes thus moving towards ZLD.

5. Air Emissions / Non- GHG emissions

Parameter	Please specify unit	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
NO _x			
SO _x	CPCB / SPCB standards	Complied	Complied
Particulate Matter (PM)			
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	Ton	35.68	25.40
Hazardous air pollutants (HAP)	-	-	-
Others-please specify	-	-	-

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022

6. Greenhouse gas (GHG) emissions (Scope 1 and Scope 2)

Parameter	Unit	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2386	1518
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	0	8421
Total Scope 1 and Scope 2 emissions intensity (optional) – the relevant metric may be selected by the entity		0.28	1.43

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022

7. Action plan to reduce GHG Emissions

As part of its ABB sustainability targets 2030 and ESG agenda, the Company is committed to enabling a low-carbon society by partnering with its customers and suppliers to reduce emissions and achieve carbon neutrality in its own operations. ABB has also targeted to support its customers to reduce their annual emissions by >100 Mt, whereas in case of suppliers, the Company will deploy a systematic approach for CO₂ emission reduction for identified significant / impactful suppliers.

The Company plans to reach its ambitious science-based targets and taken a commitment towards Renewable Energy (RE100), Electric Vehicles (EV 100) & Cleaner & more efficient technologies (EP 100) to reduce its own emissions in line with ABB global pledge. In addition, the Company is promoting the usage of electrical vehicles within its premises and building electrical charging stations in its manufacturing units to meet the EV needs, as part of it's EV 100 commitment.

Initiatives taken to realise clean energy commitments

Renewable Energy (RE100)	Clean & efficient technologies towards EP100
Installation of rooftop solar panels	Air leakage arresting & provision of Variable Frequency Drives (VFD) installation for compressors for energy savings
Green power procurement through third party Power Purchase Agreements (PPAs)	Replacement of conventional lighting with LEDs,
Procurement of International Renewable Energy Certificates (I-REC)	Installation of Building Management System (BMS) for real-time monitoring and control of equipment operation etc
Realization RE100 goals in 2022	Replacement of IE 2 / IE3 motors with high efficient IE 4 motors for various operations

8. Waste Management

Parameter	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	142	142
E-waste (B)	90	42
Bio-medical waste (C)	0.02	0.01
Construction and demolition waste (D)	42	0
Battery waste (E)	2	0
Radioactive waste (F)	0	NA
Other hazardous waste. Please specify, if any (G)	232	155
Other non-hazardous waste. Please specify, if any (H). (Break-up by composition i.e., by materials relevant to the sector)	3959	3434
Total (A+B+C+D+E+G+H)	4467	3773
For each category of waste generated total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	4213	3567
(ii) Re-used		
(iii) Other recovery operations		
(iv) Total		
Category of waste		
(i) Incineration	212	206
(ii) Landfilling	42	
(iii) Other disposal operations		
Total	4467	3773

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022.

9. Strategy to reduce and manage hazardous and toxic chemicals

The Company has adopted a strong waste management system to meet the compliance with respect to local regulations as well as improve the circularity in its operation. The well-established system is supporting its operations to properly segregate the waste at source & adopt the 3R concept to reduce, reuse & recycle. The waste generated within its premises is recycled through authorized recyclers and remaining disposed through State Pollution Control Board approved landfill / incineration facilities. The Company has achieved 95 percent of waste recyclability during the year.

In order to offer a green product to the customers and meet various national / international regulations on chemical / material management, the Company has established a strong internal material compliance management system to reduce usage of hazardous and toxic chemicals in its products and processes. Besides its internal ABB way management system, ABB Supplier Code of Conduct (SCoC) also defines the requirements from the suppliers on environment & material compliance management.

Hazardous waste management

The Company identifies and implements applicable legal requirements with respect to hazardous waste and chemicals management for its operation. ABB way & ISO-14001 standard has been established for strong waste segregation, storage & disposal management including systems for waste classification. The Company adopts a clear major material flows & identify opportunities to optimize material use through reduce waste generation, increase share of material and components reused, increase share of material and components recycled consistent with the 'waste hierarchy'. Waste are stored in designated areas, to prevent release & ensure safe handling and only trained staff may transport waste within site. Waste collected and to disposed off are done only through licensed waste disposal vendors.

Material Compliance

ABB ensures its use of materials does not endanger vulnerable societies or habitats. The Company has a duty to ensure that the materials that its uses does not contribute to environmental degradation or lead to conflict and exploitation in the countries that produce them. To maintain high social, environmental and human rights standards, this duty is set out in our Policy on Health, Safety, Environment, Security and Sustainability as well as our Supplier Code of Conduct. In practice, this means that the company has systems in place to monitor the source of certain minerals more closely, and phase out the use of hazardous substances in ABB products and processes. ABB expects suppliers to actively support ongoing efforts to manage and demonstrate product compliance with regulations such as REACH, RoHS and Conflict Minerals through an comprehensive internal directive to adhere to follow and comply with requirements of the ABB List of Prohibited and Restricted Substances. It encourages its suppliers and sub-contractors to adopt similar standards and to comply with all needed regulatory requirements.

10. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspot, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, specify details:

Not applicable as the Company's Manufacturing locations do not fall in biodiversity hotspot regions as identified by Govt of India and the Company does not have any direct / indirect impact on Biodiversity

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year:

Not Applicable

12. Is the entity compliant with the applicable environmental law / regulations / guidelines in India, Such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection at and rules thereunder (Y/N). If not, provide details of all such non-compliances in the following format:

Yes. The Company complies with all applicable laws.

Leadership Indicators

1. Break-up of the total energy consumed (in Mwh) from renewable and non-renewable sources

Parameter	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	7900	5969
Total fuel consumption (B)	0	0
Energy consumption through other sources (C) *	14136	1952
Total energy consumed from renewable sources (A+B+C) #	22036	7921
From non-renewable sources		
Total electricity consumption (D)	0	10659
Total fuel consumption (E) **	2745	2224
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	2745	12883

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd, and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022

*Energy consumption through other sources consists of International Renewable Energy Certification (I-REC) procured equivalent to grid electricity consumption

#The Total energy consumed with renewable source consists of renewable energy from solar power, third party PPA & purchasing of International Renewable Energy Certification(I-REC)

** The fuel consumption is excluding the fleet related fuel consumption

2, 3. Water - withdrawal / discharge disclosures

The below table is a consolidation of water consumption across the Company's manufacturing facilities at Peenya, Nelamangala, Nashik, Vadodara and Faridabad.

Parameter	FY 2022 Current Financial Year	FY 2021 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water	59846	51682
(ii) Groundwater	120234	92083
(iii) Third party water	2258	1770
(iv) Seawater / desalinated water	0	0
(v) Others (rain water harvesting)*	1727	130
Total volume of water withdrawal (in kilo liters)	184064	145665
Total volume of water consumption (in kilo litres)	182937	145665
Water intensity (optional)-the relevant metric may be selected by the entity	21.35	21.01
Water discharge by destination and level of treatment (in kilo litres)		
(i) Into Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties		
- No treatment		
- With treatment – please specify level of treatment**	9419	21305
(v) Others		
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	9419	21305

* Enhanced rainwater harvesting in the current year.

** The Company during the year has achieved ZLD across its factories.

Note: As a part of ISO 14001 audit all of its sites are audited by DNV-GL Business India Assurance Pvt Ltd and Limited Assurance of data was done by KPMG for ABB Group sustainability reporting 2022

4. Please provide scope 3 emissions & its intensity in the following format:

Parameter	Unit	FY 2022	FY 2021
Total Scope 3 emissions (breakup of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ if available)	kTon	4856	- *

Note: *ABB globally report Scope-3 GHG emission as part of Global CDP disclosure which includes ABB India data also.

5. With respect to the ecologically sensitive areas reported at Question 10 of essential Indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities

Not applicable as the Company's Manufacturing locations do not fall in biodiversity hotspot regions as identified by Govt of India and the Company does not have any direct / indirect impact on Biodiversity

6. Initiatives to improve resource efficiency or reduce impact due to emission / effluent discharge / waste generated

S.No	Initiative undertaken	Details of the initiatives (Web-link, if any, may be provided along with summary)	Outcome of the initiative
1	Three of our factories certified as "Platinum" category Green factory Building by Indian Green Building Council (IGBC) in 2022	ABB India's 44-year-old plant is first in Nashik to receive platinum Green Factory certification from IGBC (Refer page no. 85 for weblink on ABB India Green Factory Certification)	Resource conservation
2	RE100 goal realization in 2022 with the help of Green power procurement through Third party PPA, inhouse solar power usage & International Renewable Energy Certificates (I-REC)	ABB India achieves ~82 percent reduction in own GHG emissions across all manufacturing locations (Refer page no. 85 for weblink on ABB India GHG emission reductions)	Greenhouse gas emission reduction
3	Various energy efficiency improvement activities such as IE4 motor usage, Automation of STPs etc.	ABB India achieves ~82 percent reduction in own GHG emissions across all manufacturing locations (Refer page no. 85 for weblink on ABB India GHG emission reductions)	Energy productivity improvement and Greenhouse gas emission reduction
4	Rainwater harvesting activity across 3 more factories in 2022	ABB is implementing rain water harvesting adopting various new technology such as "Cross wave" technology to enhance rain water harvesting across factories to achieve water neutrality / positivity	Water footprint reduction
5	Enhancing water recyclability across factories and achieving Zero Liquid discharge of 2 nos. of remaining factories from Oct'2022	ABB India turns its Nelamangala Campus 'water positive' (Refer page no. 85 for weblink on ABB India Water positive initiative)	Water footprint reduction
6	Single use plastic free premises	Establishment beyond compliances- 5 no. of factories certified by CII during 2022	Waste reduction

7. Security and crisis management

At the organizational and county level the Company has a security and crisis management process in place. This creates a procedure, system and structure to prevent people and other assets at risk, loss or criminal activities. As an indispensable part of ABB business, security network is used to analyze threats and vulnerabilities of assets, with the purpose to prevent threats and reduce risks. In recent years, ABB has greatly enhanced security, and employed more internal and external security experts from all over the world. Types of risks have increased, including war and terrorism, political turmoil, environmental pollution and natural disasters, various criminal activities and commercial espionage and maritime threats. One of ABB's recent focuses is on travel safety. ABB has established a set of system that can track employees in the global scope and inform employees and management of the situation when they are at risks or in dangers. In moments of crisis, ABB can advise and support the relocation of employees and assets at risk.

Weblink: Security and Crisis Management (refer page no. 85)

8. Disclosure any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Not Available

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Not Available



PRINCIPLE 7 : Business, when engaging in influencing public a regulatory policy, should do so in a manner that is responsible and transparent

Advocacy, aid and corporate responsibility bodies

The Company is a member of several industry associations and networks with other companies on various aspects of sustainability.

Essential Indicators

1. Affiliations with trade and industry chambers / associations

List the top trade and industry chambers/ associations

S.No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers / associations (State / National)
1	Confederation of Indian Industries (CII)	National
2	Indian Electrical & Electronics Manufacturers' Association (IEEMA)	National
3	Swedish Chamber of Commerce in India (SCCI)	National
4	Swiss India Chamber of Commerce (SICC)	National
5	Federation of Karnataka Chambers of Commerce & Industry	State
6	Alliance for an Energy Efficiency Economy	National

2. Details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

– Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity

S.No	Public Policy Advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/Half yearly/Quarterly/Others – please specify)	Web link - if available
1	Cyber security for power sector	Represented as one of the 12 members of Indian Electrical and Electronics Manufacturers Association (IEEMA) for interaction with Central Electricity Authority and Power Ministry	No	Nil	IEEMA https://ieema.org
2	BIS certification policy for Indian made low voltage switchgear products, including those in industrial applications	Represented as one of the 12 members of IEEMA for interaction with Ministry of Heavy Industries	No	Nil	IEEMA
3	Standardization for chargers for Electric vehicle (EV) buses	Nomination to the standardization sub-committee being formed for EV buses by Principal Scientific Advisor, Department of Science & technology (DST)	No	Nil	DST https://dst.gov.in
4	Energy Efficiency in buildings and industry	A not-for-profit organization representing various industry members. Creating awareness in Industry as well as working closely with regulatory authorities.	Yes	Nil	https://aeem.in/industrial-energy-efficiency/



PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Caring for its Communities

ABB Group's Social Policy adopted in February 2001, focuses on ABB's role in society, human rights, children and young workers, freedom of engagement, health and safety, employee consultation and communication, equal opportunity, harassment and disciplinary practices, working hours, compensation, suppliers, community involvement and business ethics. The policy draws principally on six sources:

- The Universal Declaration of Human Rights,
- The UN Guiding Principles on Business and Human Rights,
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work,
- The OECD Guidelines for Multinational Enterprises,
- The Global Sullivan Principles and
- The Social Accountability 8000 (SA 8000) standard

The Company is continually working towards making a difference to communities across India through its Corporate Social Responsibility (CSR) projects. The primary focus areas of these projects include, providing access to education with particular emphasis on women's education and lifelong skilling, fostering diversity and inclusion, sustaining local communities, and implementing accessible, affordable and quality primary healthcare.

To understand and validate if the objectives of the CSR programs are being met and to understand the impacts of the interventions of the Company in the lives of the local communities, third-party impact assessment studies were initiated for large projects undertaken in the previous year.

Refer **Annexure – J** for the details of CSR initiatives undertaken by the Company during the year

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not Applicable.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable.

3. Mechanisms to receive and redress grievances of the community

ABB Business Ethics Helpline provides all ABB employees and stakeholders, worldwide, with a means to report suspected violations of the ABB Code of Conduct, Supplier Code of Conduct, or applicable laws. This channel provides a reporting platform for internal and external stakeholders including the local communities to report grievances related to 'Ethics and Compliance', fraud, misconduct, corruption, financial issues, conflicts of interest, insider trading or antitrust regulations, theft, embezzlement, 'Employee relations' and human resources issues, such as harassment, discrimination, improper workplace conduct or immigration issues, loss prevention and asset protection, workplace violence and alcohol / drug abuse, Environment, conflict minerals, health and safety, such as occupational health and safety violation etc.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers

	FY 2022 Current Financial year % Spend	FY 2021 Previous Financial Year % Spend	FY 2020 Previous to Previous Financial Year % Spend
Directly sourced from MSMEs / small producers	30	19	19
Source directly from within the district and neighbouring districts (i.e., within a state)	73	71	68

The Company in line with the ABB Group uses the Supplier Code of Conduct, a policy document which reflects the 10 principles of the UN Global Compact and the essence of the ABB Code of Conduct, to align the suppliers to its sustainability goals.

The ABB Code of Conduct clarifies the expectations for the Company's employees when dealing with suppliers. New suppliers are required to go through ABB's supplier qualification process, during which it assesses the sustainability performance of potential business partners along with other business parameters.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

The Company puts sustainability and social development at the centre of its CSR efforts. It is committed to the development of a sustainable future and actionable solutions to basic needs of the community predominantly in and around its plants (and current locations do not fall under State / Aspirational districts)

3. (a) Preferential Procurement Policy

The Company does not have a preferential procurement policy where preference is given to purchase from supplies comprising marginalized / vulnerable groups. A common sourcing policy that is based on attributes, quality, costs and capability is followed. This policy does not differentiate between sourcing groups and categories.

3. (b) From which marginalized / vulnerable groups do you procure?

– Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

– Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

– Not Applicable

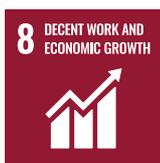
5. Details of corrective actions taken or underway based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

– Not Applicable

6. Details of beneficiaries of key CSR Projects:

S.No	CSR project	No of persons benefited from CSR projects annually	% of beneficiaries from vulnerable and marginalized groups
1	External public road infrastructure and public amenities upgradation project Peenya Industrial area phase 2 - Lake Road*	3650000*	70
2	Women engineering scholarship program for meritorious and deserving 100 selected women	100	100
3	Operation of mobile health care units for communities in Peenya, Nelamangala, Nashik and Faridabad	280000	100
4	Supporting needy, financially disadvantaged cancer patients for cancer treatment	25	100
5	Improving the learning levels of Govt. school children and a special module on environment and sustainability in 98 Government schools identified in Nelamangala Taluk	9000	100
6	Construction of a check dams and water management structures in drought prone villages of Nashik	1000	100
7	Supporting people with disability with customized disability aids, Maneja	20	100
8	Supporting a Govt Industrial Training Institutes (ITIs) with facilities and infrastructure	100	100

Note: *estimated on average usage calculated based on an average of 10000 users on a daily basis for the said road stretch



PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Customer engagement

ABB India's solutions connect engineering know-hows with software solutions to optimize how things are manufactured, transported, powered and operated. Working closely with industry, utility, transportation and infrastructure customers, the Company offers a unique combination of domain knowledge, technology leadership and digital expertise, to create real business value for the customers along with a superior and distinguished customer experience. The Company's role as a pioneering technology leader in electrification and automation, helps with creating a more sustainable and resource-efficient future..

Essential Indicators:

1. Mechanisms in place to receive and respond to customer complaints and feedback

The Company has a set process called the Customer Care Response Process (CCRP), in order to address any customer issues with the Company's products, systems, solution offerings and service portfolio.

CCRP channels customer care topics and improves customer satisfaction by providing a single Company-wide common process and tool. It captures, documents, performs root cause analysis and ensures resolution of any type of customer dissatisfaction in a timely and qualitative manner.

2. Product / Service information

The Company's products and / services carry information about the environmental and social parameters, safety information, recycling and safe disposal.

3. Consumer complaints*

	FY 2022 (Current Financial Year)		Remarks	FY 2021 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cybersecurity	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade practices	0	0		0	0	

* Note: Does not include complaints from channel partners since those are specifically referred to as 'value partners' within this document.

4. Instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	NA
Forced recalls	Nil	NA

There were zero incidents / issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty action taken by regulatory authorities on safety of products/ services.

5. Framework / policy on cyber security and risks related to data

Web link: Data Privacy | ABB (refer page no. 85)

- 6. Details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services cyber security and data privacy of customers re-occurrence of instances of product recalls penalty action taken by regulatory authorities on safety of products/services.**

– Nil

Leadership Indicators

- 1. Channels / platforms where information on products and services of the entity can be accessed**

Weblink: Products and services (refer page no. 85)

- 2. Steps taken to inform and educate consumers about safe and responsible usage of products and / or services**

At ABB, sustainable innovation is a core part of the Company's DNA. The Company continues to work with partners and customers to explore new ways to incorporate sustainable materials across its solutions.

- 3. Mechanism in place to inform consumers of any risk of disruption / discontinuation of essential services**

Issues are bound to arise in any customer / supplier relationship. Therefore continual communication is maintained with the customers, to identify problems before they become serious and allow both parties to work towards mutually beneficial solutions. The Company's focus on quality, continued communication and customer service, positions ABB as a trusted partner.

- 4. Product information on the product over and above the mandated local laws**

The ABB Group develops Environmental Product Declarations (EPD) to communicate the environmental performance of some of its core products over its entire life cycle. EPDs are based on detailed LCA studies conducted using the LCA model and declared according to international standard ISO / TR 14025. LCA and EPD are coordinated at the ABB Group level and available for a few products.

- 5. Provide the following information relating to data breaches: a. Number of instances of data breaches along-with impact Nil b. Percentage of data breaches involving personally identifiable information of customers.**

– NIL

Consumer satisfaction surveys

The Company has implemented the Net Promoter Score (NPS) survey methodology to know how the Company is perceived by its customers. Net Promoter is both a loyalty metric and a discipline for using customer feedback to aid sustainable growth of the Company.

The relational NPS surveys are held biennially to measure customer loyalty, based on long-term engagement between senior managers of customers and the Company. In addition, the Company also intensively uses transactional NPS surveys to get real-time, touch-point specific feedback from operational level customer staff for identification of improvement measures on a continuous basis.

- Total number of customer complaints received in the CCRP system during the year 2022: 2832
- Percentage of customer complaints which are open in the CCRP system and awaiting completion as at the end of the year (as on 31st December 2022): 0.48 percent

Key Policies and Programs

Sustainability

ABB Policy on Health, Safety, Environment, Security and Sustainability

HSE Policy (Company)

Social Policy (ABB Group)

Human Rights Policy & Statement (ABB Group)

Corporate Social Responsibility Policy (Company)

Prevention of sexual harassment of women at the workplace Policy (Company)

Code of Conduct (Company)

Supplier Code of Conduct (ABB Group)

Sustainable Supply Base Management Program (SSBM) (ABB Group)

Corporate Governance (ABB Group)

Integrity Program (ABB Group)

ABB Equal Opportunity Policy (Company)

Scan for
links to Key Policies and Programs



<https://new.abb.com/news/detail/100830/links-to-key-policies-and-programs>



—
~30% of installed wind
and solar projects use
ABB solutions

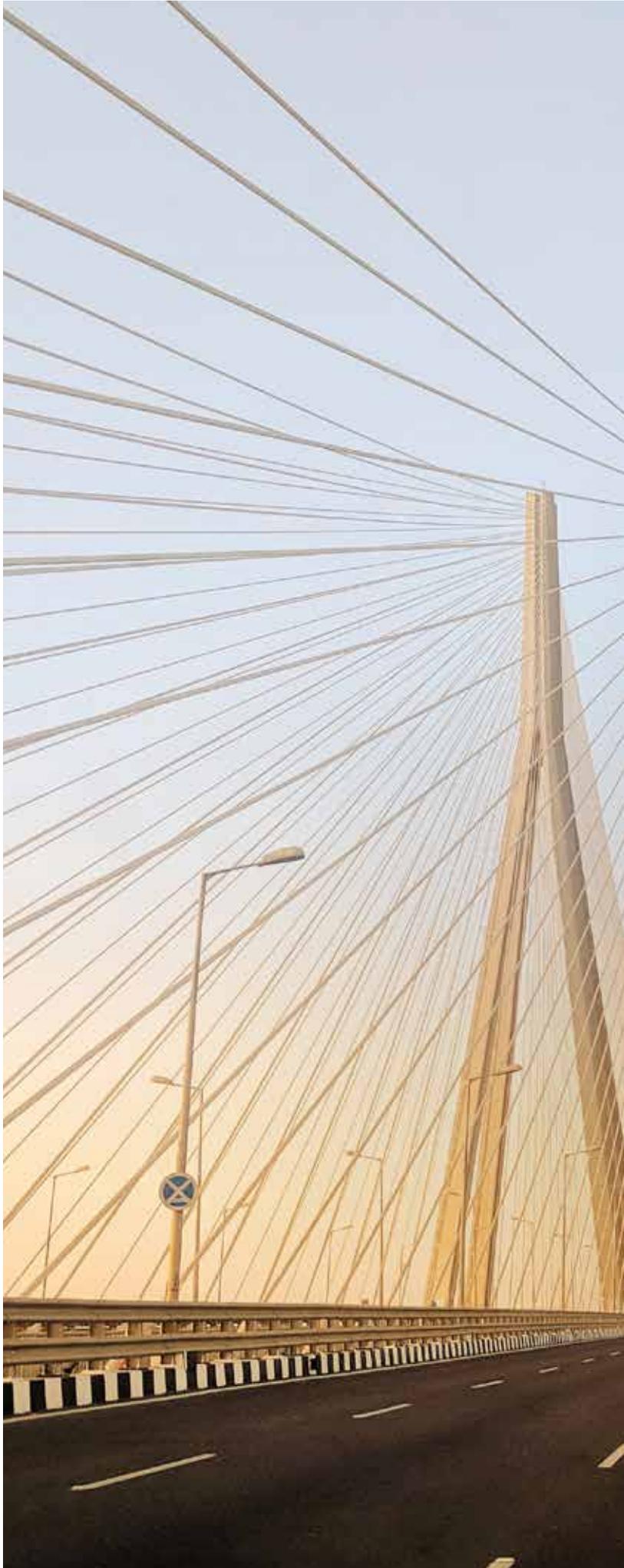
RENEWABLES

—
**>80% of metros deploy
ABB technology**



METRO

Risk and opportunities

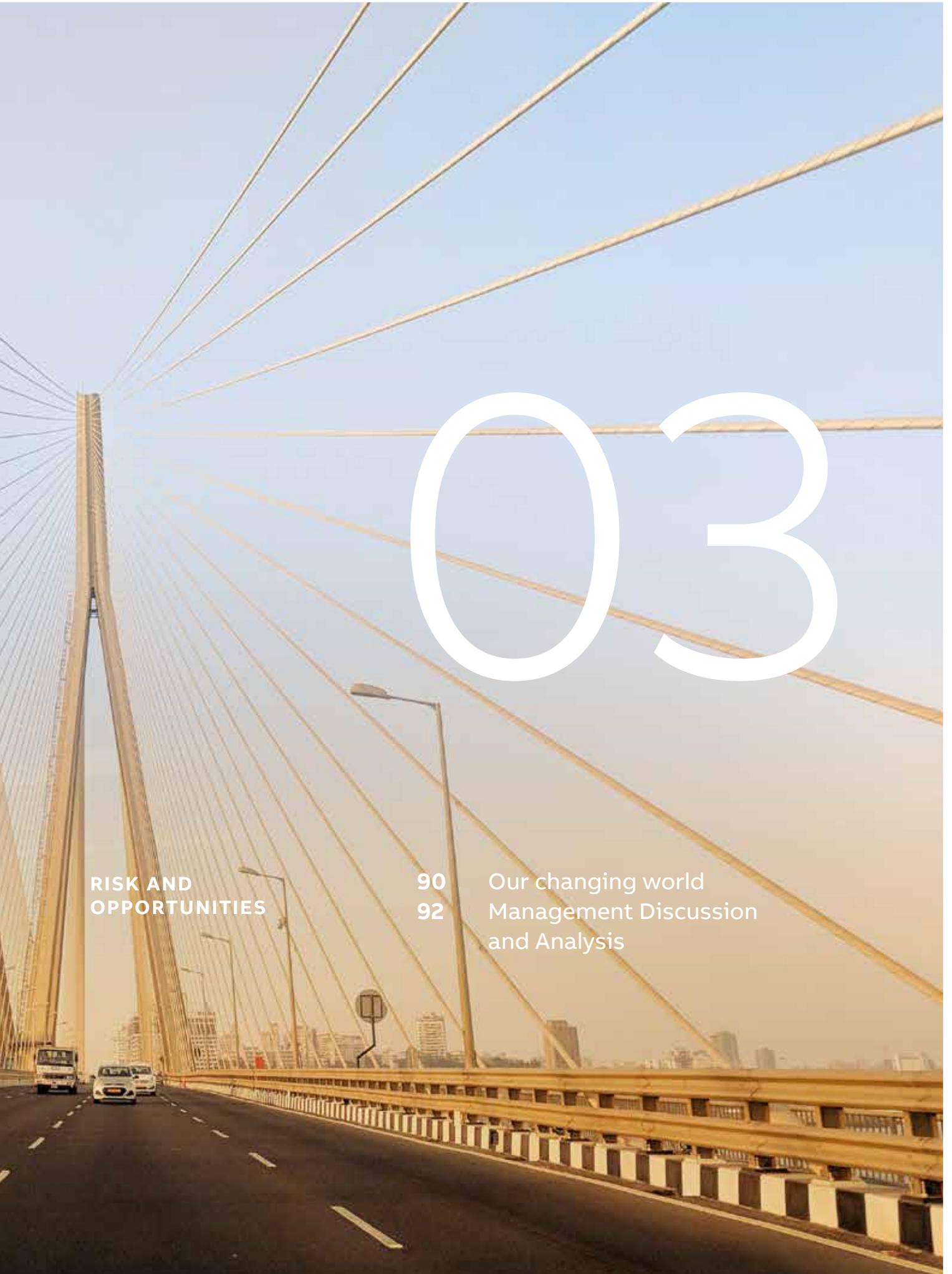


03

**RISK AND
OPPORTUNITIES**

**90
92**

Our changing world
Management Discussion
and Analysis



Our changing world

As the pace of change and uncertainty increases, ABB closely monitors megatrends that are shaping the external environment, analyzes economic and geopolitical shifts and adapts accordingly through its agile and decentralized business model. In many economies around the world, industry's share of GDP is shrinking and the service sector is expanding. At the same time, companies are increasingly focused on resilience and reshoring to guard against supply chain challenges in the wake of the pandemic, as well as bracing for a downturn as the energy crisis and inflation reduce businesses' and households' spending power.

For ABB, as a leader in electrification and automation, these are challenges to be managed, but they also represent an important business opportunity. To take advantage of them, and support our customers with more sustainable solutions, we need more proactive planning, monitoring and management. On a societal level, demographic change is increasing the size of the population but also shrinking the labor force, creating a need for increased labor productivity. Businesses are also grappling with a lack of qualified and experienced workers, which makes attracting and retaining talents a priority for ABB. At the same time, pressure is growing to improve human and labor rights and respect for diversity, leading

to safer, more equitable and inclusive working environments and greater focus on community engagement and development. Across the world, rapid urbanization is driving the need for smart buildings and infrastructure and e-mobility. These developments are being enabled by technology but are also increasing demand for energy and putting more pressure on the planet's resources. To limit climate change and resource scarcity, bold and ambitious action is needed to decarbonize the energy system, improve energy and resource efficiency and move towards a circular economy. With its advanced automation, robotics and digital technologies, ABB is well positioned to tackle these pressing challenges and turn them into business opportunities. Our innovative technological solutions increase productivity and resource efficiency and improve manufacturing flexibility, quality and simplicity. Our purpose of enabling a more sustainable and resource-efficient future with our technology leadership in electrification and automation addresses the megatrends shaping the economy and places ABB in a strong position to drive and support the technological advances that are needed to achieve a sustainable society.

In the forthcoming section, we take a closer look at the what drove the Indian economy, the risks, and the opportunities ahead. The section also details out how the company performed resiliently spurring business growth, in the last year, while achieving sustainability milestones in parallel.





Management Discussion and Analysis Report

Economic and market overview

For the Indian economy, 2022 was a year of resilience and of successfully navigating a challenging external environment. The stability and growth momentum continued despite multiple global headwinds including the Omicron wave, the Ukraine-Russia offensive with subsequent elevated crude prices and persistent global supply chain disruptions. The global inflation in advanced economies was accompanied by tightening monetary policy stance, which in turn created a ripple effect in global markets. Despite inflationary pressures and global macro uncertainties, the Indian economy grew by 9.7 percent in the first half of 2022-23, and by 6.3 percent in July-September quarter spurred on by strong private consumption and investment.

Both levers of macroeconomic policy – fiscal and monetary – have played a role in managing the challenges that have emerged over the past year. The central bank of the country Reserve Bank of India (RBI) also undertook monetary and liquidity measures to rein in inflation while continuing to support economic growth. Some other measures included cutting down excise duty on fuel and supply-side measures to ease food inflation. The government's focus on bolstering capital expenditure also supported domestic demand in the first half of the financial year 2022-23. In addition, India overtook the United Kingdom to become the fifth largest economy in the world.

In the last quarter of the calendar year 2022, data indicated traction in private consumption. Some consumption indicative sectors like electricity generation and freight traffic were at pre-pandemic levels while others like passenger vehicles revived though not at pre-pandemic levels. Although industrial activity continued to expand, growth in the sector decelerated since the first quarter, influenced by supply-chain disruptions, and slowing global growth in major economies. The Index of Industrial Production (IIP), more indicative of short-term changes in production volumes grew 3.1 percent year on year in September 2022, slightly slower than same period in 2021 when it was at 4.2 percent. But as per the reports, bank credit to the private sector continued to grow firmly, with double digit growth in credit to the non-food industrial sector and services firms.

A resilient domestic inflow rendered support to the foreign institutional investment volatility in a year that was a choppy ride for the Indian stock markets. Since June 2022, stock markets

bounced back, driven by better-than-expected corporate earnings in the first quarter of 2022-23. Moderation in domestic inflation and global commodity prices, and a reversal in foreign portfolio flow back into India also contributed to the growth. The appreciation of US dollar led to the depreciation of the INR and other emerging economy currencies. However as per the RBI's report despite reaching an all-time low of INR 82, the Indian Rupee has been least disruptive among peers and has appreciated against most currencies, barring a few. India's foreign exchange reserves in excess USD 500 billion has been described in a World Bank report as one of the largest holdings of international reserves which can provide some cushion against global spillovers.



Given the macro landscape, the Company continued its focus on solid growth fundamentals whilst reinforcing the highest ESG standards with resilience. ABB India remains vigilant on risks emanating from COVID19 and its variants with a focus on employee well-being. The Company's agile business model and portfolio ensured conversion of opportunities, maximally optimizing the country's conducive and relatively stable environment in an otherwise volatile global weather, leading to a quantum leap in performance, back to pre-pandemic and pre-portfolio realignment levels. Cost efficiency programs together with strategic investments for new facilities, product launches, and launch of online business models supported this journey of profitable growth.

Operational performance

Though the year started off with the Omicron scare, 2022 was the year that characterized true return to the normal with most sectors resuming activities full throttle. It was also the year in which, buoyed by the opening of markets, ABB India continued its journey of consistent value creation for various stakeholders. This comprised investing in state-of-the-art facilities across businesses to make in India for India and the world squarely targeting both the domestic as well as global demand. During the year, three milestone facilities were inaugurated across divisions from electrification to process automation. In 2022, the Company also achieved significant sustainability milestones as committed in the sustainability strategy 2030, across manufacturing locations.

ABB's portfolio of sustainable technology solutions was deployed across a wide range of sectors, during the year rendering efficiency & productivity. For instance:

- Rectifiers for a global diversified natural resources major
- Electrification panels and building automation for IT (Information Technology) campuses in Hyderabad
- Doubly fed induction generator for the wind sector, solar SCADA automation and switchgears for solar projects
- Automation package for cold rolling mills for continuous galvanizing line from one of the global majors in Process Industries
- Power handling systems order from paint industry for Process Automation Energy Industries division
- Traction converter orders from locomotive companies and Electric traction motors for high-capacity electric multiple unit trains
- Robotic palletizing for a paints major, robotic handling in mining and construction industry, robotic lean palletizer by an FMCG major
- System drives and motors solutions for tyre and metals (tier 1 and 2) majors
- Advanced process control solution for a large integrated pulp and paper manufacturer, for efficiency of the highly interactive lime kiln production process
- LV (Low Voltage) MNS and ArTuK boards for data centers and document management companies



- Tool design, simulation, manufacturing, installation, commissioning, cycle time prove out in ABB Robotic line for an Indian auto major
- MV and LV switchgears, UPS (Uninterruptible Power Supply), automatic transfer switching and power distribution packages for the one of the biggest data center companies in the country
- Distributed control systems (DCS) for greenfield and brownfield paints major

ABB's electrification, motion, automation, and robotics solutions continued to partner the industrial growth journey of the nation.

While serving our customers, the Company functioned tirelessly to maintain the highest level of safety and sustainability in our processes. With the focus on safer operations, the Company has improved its hazard reporting and thus have shifted focus to resolving them to the tune of 98.64 percent in 2022. To inculcate a culture of safety vigilance, Safety Observation Tours (SOTs) are

encouraged as a practice by employees. The number of SOTs per employee stood at 5.6, helping the Company reduce the total incident rate. On the environment front, ABB India has been successful in recycling ~95 percent of its waste, enhanced water recyclability by ~14 percent in 2022, and achieved more than ~82 percent cumulative reduction of scope 1 and 2 GHG emissions as compared to 2019 baseline. The year was also marked by the realization of the RE100 global commitment to eliminate Scope 2 Greenhouse Gas (GHG) emissions from the operations. This was achieved with utilization of renewable electricity across all its owned manufacturing locations and included green power utilization from in-house solar installations, green power purchase from third party through power purchase agreements (PPA) and procurement of International Renewable Energy Certificates (IRECs). The Company also aims to make all its manufacturing locations water positive by 2025. Multiple stakeholder engagements with suppliers, partners and other vendors were held to build awareness and encourage active participation in the sustainability journey.

In 2022, the Company continued its journey of consistent growth, leveraging local opportunities and navigating global headwinds with orders back at pre-portfolio demerger levels – orders clocked INR 10,028 crore in 2022, a growth of 31 percent. A combination of factors contributed to this milestone achievement including proactive actions on identified growth market segments and consistent investment in manufacturing and customer experiences with the ABB Way operating model ensuring more accountability and empowerment. The Company posted a revenue of INR 8568 crore, growth of 24 percent over 2021, leveraging ABB's portfolio offerings and digital technology leadership in growth sectors like F&B, datacenters, transportation, energy efficiency, building automation, etc.

Profit after tax was at INR 1026 crores in 2022 as compared to INR 532 crores in 2021. The PAT for CY2022 includes an exceptional item of INR 339 crore from the profit on the sale of the turbocharger business. Consequently, the earnings per share for 2022 stood at INR 47.96 per share as compared to INR 24.53 per share in 2021.

Operational excellence

2022 was the year when the performance of ABB India just like India, consistently excelled with profitable growth, resilient during multiple uncertainties across the globe, and went back to pre-PG divestment levels of performance. Enriched customer experience was marked by commissioning across sectors from advanced process control for lime kiln of a paper major to AI-enabled city gas distribution networks to first of its kind paint project commissioning with holo-lens for an auto major. Energy efficiency projects were commissioned with specialized drives and motors from JW Marriott to Wonder Cement. In 2022, new products launched include specialized products like flame proof motors for explosive atmospheres and smart electric metering and energy monitoring solutions.



During the period under review, ABB India's Smart Power division expanded its manufacturing facility with first of its kind shopfloor in the country catering to the industry 5.0 with ABB cobots. Spanning over 8,400 sqm, in Nelamangala Bengaluru, the ABB Smart Power factory links equipment such as robots, motors, and drives to the Internet of Things (IoT). The connected factory software highlights process optimization opportunities and schedules predictive maintenance to maximize productivity and efficiency. This resulted in enhanced productivity of 40 percent in the same space, with an energy efficiency of 15 percent.

ABB India also inaugurated its expanded Digital Substation Products and Digital Systems factory in Vadodara, Gujarat. Located within ABB India's largest manufacturing campus, this new factory will meet the growing demand for a wide range of digital substation products and digital solutions in India and in more than 50 countries. In 2022, ABB Measurement & Analytics also opened its first smart instrumentation factory in Bengaluru, India, to support the region's ambition of transforming into

a global design and manufacturing hub. The new plant will manufacture field devices such as pressure and temperature transmitters, IP converters and electromagnetic flowmeters for a wide variety of industries, including power, oil, and gas, pharmaceutical, water and other segments.

Outlook

Risks and concerns

The Company continues to be vigilant and watchful of various global geopolitical and macroeconomic factors. The continuing tight crude prices, supply chain issues and easing, shifting global trade balance and currency volatility and inflationary conditions especially core inflation will be closely monitored. ABB India will continue to deploy its experience of navigating such markets as earlier leveraging global parentage, diversified supply chains, early planning and hedging tools.

As the country gears up for a general election in 2024, India remains better placed to counter the global headwinds and tread the fine balance between the twin deficit targets and growth. The much talked about revival of private capex, sound balance sheets, deleveraging of assets and the likely waning of input costs might prove to be silver lining for the manufacturing sector in the country.

The government focus on capital expenditure led recovery is likely to continue. This would positively impact the job creating sectors amid global uncertainties like construction, transport, etc. The Production Linked Incentive (PLI) and other policy actions are projected to continue spurring growth in sectors which have also been identified by the Company as high potential ones in the current climate. These include datacenters, electronics, warehouse and logistics, railways, and metro, automotive, F&B, pharma and healthcare, renewables, water, and wastewater, etc. The Company has identified and worked on these areas of high growth mentioned earlier, which have paid dividends. ABB India will continue its value-based engagements with the customers, focus on order wins and seamless execution across projects while looking at modernization of existing capacities and adopting digitalization.

Electrification

Summarized performance:

Particulars*	(₹ in crore)	
	2022	2021
Orders	3,716	2,725
Order backlog	1,583	1,316
Revenue	3,530	2,752
Results (Profit before interest & tax)	488	306

Segment performance

Electrification business witnessed significant growth and increase in market share in 2022. The growth was largely driven by stable business environment. Our focused efforts in various leading segments like Renewables, Data Centers, Buildings, Railways and Food & Beverages have also contributed to this growth. Our state-of-the-art Corporate Building in Peenya namely "Disha" has adequately demonstrated our commitment to sustainability, Energy efficiency and Wellbeing. Over 5,000 products of ABB installed in Disha Building not only save energy but help predict & simulate future performance.

While local demand continued to support our growth, exports were also at an all-time high with significant orders from Brazil, UAE, Oman, and other countries.



Major orders booked during the year:

- Bagged most prestigious Indian government building project in the capital for Low Voltage portfolio & Medium Voltage Panels including Digital offering
- Secured order for Low Voltage panels with Motor Protection Relays and Soft starters from one of the largest Steel Rolling Mill customers in North
- Bagged 33kV GIS order for supplying power to the World's highest rail bridge in Northern part of India for premier Rail Tunnel project
- Bagged significant GIS & CSS orders for electrifying India's Biggest Defense Port in the southern part of country
- Supplied latest technology breakers for "Green & Smart India Development Center for one of the largest software manufacturing companies.
- Supplied Low Voltage Building Products to one of the biggest IGBC certified platinum rated Green Buildings housing approx. 25,000 workforce in Hyderabad
- ABB Make 25kV GIS became operational in 2022 for the first phase of revenue service operations of Pune Metro flagged by Honorable PM of India.

Major orders successfully commissioned/supplied during the year:

- Latest technology Breakers for "Green & Smart India Development Center for one of the Largest Software Manufacturing Companies.
- Low Voltage Building Products to one of the biggest IGBC certified platinum rated Green Buildings housing approx. 25,000 workforce in Hyderabad.
- Low voltage Electrical Switchgear & Panels to an IT Park & Low-Rise Apartment in NCR
- One of oldest universities in India chose ABB Electrical switchgear for Powering its Campus
- ABB Make 25kV GIS became operational in 2022 for first phase of revenue service operations of Pune Metro flagged by Honorable PM of India
- Installed India's first 11kV Eco-GIS solution at premier fertilizer organization in Gujarat
- Exported 500 nos. Safelink CB RMU to Oman, installed around 100 nos. RMUs for premier colocation Data Center installer at Mumbai
- Successfully installed ABB RMUs for India's flagship Highway, Samruddhi Project from Mumbai-Nagpur, Inaugurated by Honorable PM of India

Segment outlook

While dedicated Segment Managers continue to strongly focus on the growing segments like Renewables, Data Centers, Buildings, e-mobility, Rail, Infrastructure and Food & Beverages, ABB is also tracking the emerging segments like Green Hydrogen, etc., The dedicated end user focus & continued emphasis on customer proximity through customized webinars, industrial hubs and customer connect programs will further the business growth. The pace of capex led recovery with focus on sectors like transportation and construction will determine the growth momentum.

Motion**Summarized performance:**

Particulars	₹ in crore)	
	2022	2021
Orders	3,662	2,878
Order backlog	2,106	1,785
Revenue	3,367	2,592
Results (Profits before interest and tax)	412	324

Motion business exhibited remarkable resilience amid multiple challenges and maintained financial stability in 2022. While it capitalized on new opportunities, it made concerted efforts to stay close to the customers and delivered against their needs, maintaining superior quality and on-time delivery.

Segment performance

Covid issues shadowed in the first half of the year and global and local challenges such as supply chain disruptions, energy crisis and high inflation impacted prospects. Notwithstanding the strains, Motion business's order and revenue growth remained robust and registered a strong profitable growth. Recovery in the second half further improved the overall business KPIs. Channel Partner business registered a 27 percent order growth and the online marketplace – eMart reached 1 MUSD sale milestone. Exports remained a powerful enabler of growth with Large Motors & Generators' contributions. Orders from Railways and Metro train further boosted the business performance and aided in maintaining the growth momentum.



The business also showed strong progress towards its sustainability and ESG goals; be it with its energy-efficient offerings, adopting sustainable practices in internal operations or improving safety. The global flagship Energy Efficiency Movement gained traction in India with over 90 customers and partners joining the movement and making commitments to reduce energy. As the pandemic situation eased, the business resumed its customer engagement activities and reinstated tier II, tier III reach out program in places like Rajahmundry, Miryalaguda and Madurai. Motion divisions also conducted multiple roadshows and in-house seminars at customer sites.

Major orders, key project commissioning, and milestones during the year:

- Multiple traction orders including retrofit order for 66 locomotives, order for 4 Vande Bharat trains; converter order from Chittaranjan Locomotive Works
- Order for 39 nos. of high output IE3 Motors for steel major
- Service team received its single largest order to supply of Synchronous motor from steel major
- Won an order for 416 nos. of IE3 motors for e-Vehicle Steering pump application
- Secured order to supply NEMA motors for a mining application in the eastern part of country
- Strengthened footprint in the renewables space with the achievement of a significant milestone of 1 GW SCADA commissioning covering multiple EPC accounts
- Won largest order for ULH Drives from pharma major and supplied over 90 nos. ULH Drive to My Home Cement
- Successful commissioning of first Automatic Power Factor Correction (APFC) supplied to 300MW Solar plant and PPC system for a 300MW capacity plant

Awards and recognition

Large Motors & Generators division won the coveted Gold Award at CII's 43rd National Kaizen competition. This was another testimony to the unwavering quality commitment. Motion India's sustainability focus was recognized by CII that conferred the IGBC Green Factory Platinum award to the Faridabad Motor factory.

Segment outlook

Forecasts suggest India to be better positioned to navigate global headwinds than other emerging economies in 2023. Government's push for infrastructure and a slew of development projects ranging from construction of highways, rail lines and airports will continue to support economic growth. Growing necessity for improvement in the infrastructure sphere - from housing, water, to digital and transportation will propel economic growth. Water & Wastewater, F&B, HVAC, Metals and Cement segments will also continue to be growth enablers. The balancing of the private and government capex along with global trade volatilities will be a key factor in steering growth.

Process Automation

Summarized performance:

Particulars	₹ in crore)	
	2022	2021
Orders	2,503	1,933
Order backlog	2,645	1,744
Revenue	1,573	1,403
Results (Profits before interest and tax)	201	128

Segment Performance

With the growing demand of digitization, advanced process controls and more sustainable solutions, Process Automation business had a strong order growth in 2022. Seamless backlog execution and higher order intake at better volumes marked 2022 for Process Automation. Investments gained traction in Steel, Cement, chemicals, Mining and Mineral Processing industries. Steel, a vibrant sector historically, witnessed a 10.8 percent rise in production during 2022. Cement sector, buoyed by a strong demand and a weak base, registered a strong growth in 2022 over last year.

The Company also opened its first smart instrumentation factory in Bangalore, India, to support the region's ambition of transforming into a global design and manufacturing hub. In line with the local government's "Make in India" program, the state-of-the-art factory aims at supporting local economy and meeting the growing demand for instrumentation devices.



Major orders, key project commissioning, and milestones during the year:

- Bagged large rectifier package for capacity expansion project of Aluminum smelter unit with a leading Aluminum manufacturer in Chhattisgarh
- Motors, Drives and Automation package for a major steel manufacturer for their Galvanizing and Annealing line in western India
- Biggest-ever automation order in the specialty chemicals segment for providing the complete suite of automation and digital solutions for decorative paint manufacturing plants
- Bagged a large order from a leading LNG supplier for deploying ABB Ability™ SCADA Advantage along with technology platform ABB Ability™ Genix, RTUs and connectivity components across the gas distribution pipeline covering 28 cities in the country. ABB solutions will help in analyzing the consumption patterns for demand forecast, detect system anomalies and predict the asset conditions
- Secured a large order from Jal Jeevan Mission, Uttar Pradesh for instrumentation and analytical package helping water distribution for State Water & Sanitization Mission, Uttar Pradesh project
- An order from for Pressure, Level and Temperature measurement at energy conglomerate's Flue Gas Desulphurization plant
- An order from steel major secured to supply Stressometer system in CGL and CAL Skin Pass Mill's

Segment outlook

Aided by the progressive policies by the central government, India is poised to continue its growth in the coming year propelling business growth across most sectors. The increased infrastructure spending, rising exports, rapid digitization, and spill-over effects of geopolitical developments will likely aid this growth. Cement, Coal & Steel projects, and investments are on the rise. The chemical sector is also seeing good traction. Projects in downstream refinery and Water segments with EPC's will be key drivers for next couple of quarters. Renewables (will) meet more than 60 percent of the growth in demand for power, and account for 35 percent of the electricity mix by 2030. Increase in commodity prices, however, is likely to intensify the competition further.

Robotics and Discrete Automation

Summarized performance:

Particulars	₹ in crore)	
	2022	2021
Orders	320	259
Order backlog	211	132
Revenue	233	255
Results	29	20

Segment Performance

The demand for flexible robotic automation solutions remained strong during the year. Automotive manufacturers and component suppliers who account for major share of the business continued to invest in and expand manufacturing capacities. Chemicals and Petrochemicals, Food and Beverage, consumer segments, and pharmaceutical customers continued their investments during this period towards modernization of capacities for productivity and efficiency.

Major orders booked during the year:

- Capacity increase and refurbishment of existing body-in-white production line of a major Auto OEM
- Robotic automation of production sites of a large paint manufacturer
- Indirect channel involving system integrators contributed to order growth

Segment Outlook

Automotive demand from Electric vehicles will continue to remain strong. Food and Beverage, Consumer goods and Electronics segments are showing strong signs of growth. Manufacturing activity in metals and plastics segment are expected to remain stable. We also see good interest from educational universities for robotics lab and training center. The pace of private consumption will be a key risk factor along with the trajectory of supply chain constrains and subsequent easing.



Human Resources

2022 witnessed a very high demand for talent in India which resulted in a lot of pressure to retain and attract talent. Our efforts too were largely concentrated on enabling retention measures for key talent. The Company invested in building managerial skills to enable constructive conversations with employees on their performance and development/growth opportunities. The Company also focused on enabling career for better learning and growth opportunities. Overall, ABB India's retention is better than the industry average for 2022.

To complement the growing business demands, the Human Resources team worked tirelessly to get the right talent. We hired employees in 2022 through a dynamic mix of strategies – channel partners, referrals, campus hiring, direct sourcing and usage of social media.

The Company introduced online learning platforms – Harvard Mentor and Harvard Spark. Through a gamified program, we focused on enabling employees to take ownership of their learning journey. This allows employees to learn on the go, as per their need and schedule. The online learning was complemented with in-person leadership development program, both at local and global level. LEAD and RISE programs continue to focus on developing strong leadership pipeline for both male and female colleagues.

With a strong focus on Diversity and Inclusion, the Company ran special programs to create awareness around the subject and built strong allies for LGBTQI+ and people with special abilities. We continue our inclusion focus through a mix of effort in building awareness, educating our employees, and creating allies, enabling the right policies, and continued focus on hiring. In an external forum, ABB India was recognized as the winner of the category “Best Allyship & ERG Practices”.

The Company managed to get into win-win wage settlements for all our plant locations. The discussions were conducted and concluded in a very cordial environment where both parties agreed to make progressive steps to help the organization move forward. All our wage settlements are prospective and long term and designed in a way such that our shopfloor employees also gain from their efforts to improve organization productivity.



We adopted a forward-looking Flexible working guidelines framework that allows each business unit/function/location to decide the degree of flexibility that is optimal to balance their performance with employee requirements. The guidelines enable constructive conversation between the employee and the manager to arrive at the best possible option, suited to each requirement. Reward and Recognition framework was also reviewed to further strengthen the guidance on the subject.

The Company continued to drive multiple activities across business units to keep up the motivation level of employees. Our focus on engagement saw us maintain a very positive score on the annual global engagement survey. More than 91 percent percent of the employees participated in the survey and ABB India engagement score stays 4 percent ahead of the global average. Employees continue to rate ABB India very high in the areas of integrity, safety, pride, role clarity and customer focus.

Finance

Due to frequent increase in the interest rates by RBI during the year, the liquidity in the market remained tight. However, the Company's reputation in the market and long-term goodwill with leading banks ensured advantageous arrangements of various finance facilities. During all the months, the Company was able to manage positive cash position to fund its operations as well as meet the capex requirements. Further, during the year, taking into cognizance the healthy cash situation, after board approval, the Company has invested in treasury bills for better yield. As of December 31, 2022, the Company had a net cash balance (including treasury bills) of INR 3,616 crores. In terms of foreign currency exposure – for imports and exports – the Company continued to conservatively hedge at the point of commitment to protecting the contract margins.

Key Financial Ratios	2022	2021
i) Debtors Turnover	4.31	3.88
ii) Inventory Turnover	4.56	5.00
iii) Interest Coverage Ratio	-	-
iv) Current Ratio	1.82	1.66
v) Debt Equity Ratio	-	-
vi) Operating Profit Margin (%)	11.95	8.60
vii) Net Profit Margin (%)	11.86	7.50

Return on net-worth is 22.83% in 2022 vs 13.92% in 2021. This is mainly on account of increase in profitability due to increase in revenues and exceptional items as compared to previous year.

(i) Debtors Turnover

It is calculated by dividing turnover by average trade receivables.

(ii) Inventory Turnover

It is calculated by dividing turnover by average inventory

(iii) Interest Coverage Ratio

Not Applicable, as the Company did not have any borrowings in the current and previous year.

(iv) Current Ratio

It is calculated by dividing the current assets by current liabilities

(v) Debt Equity Ratio

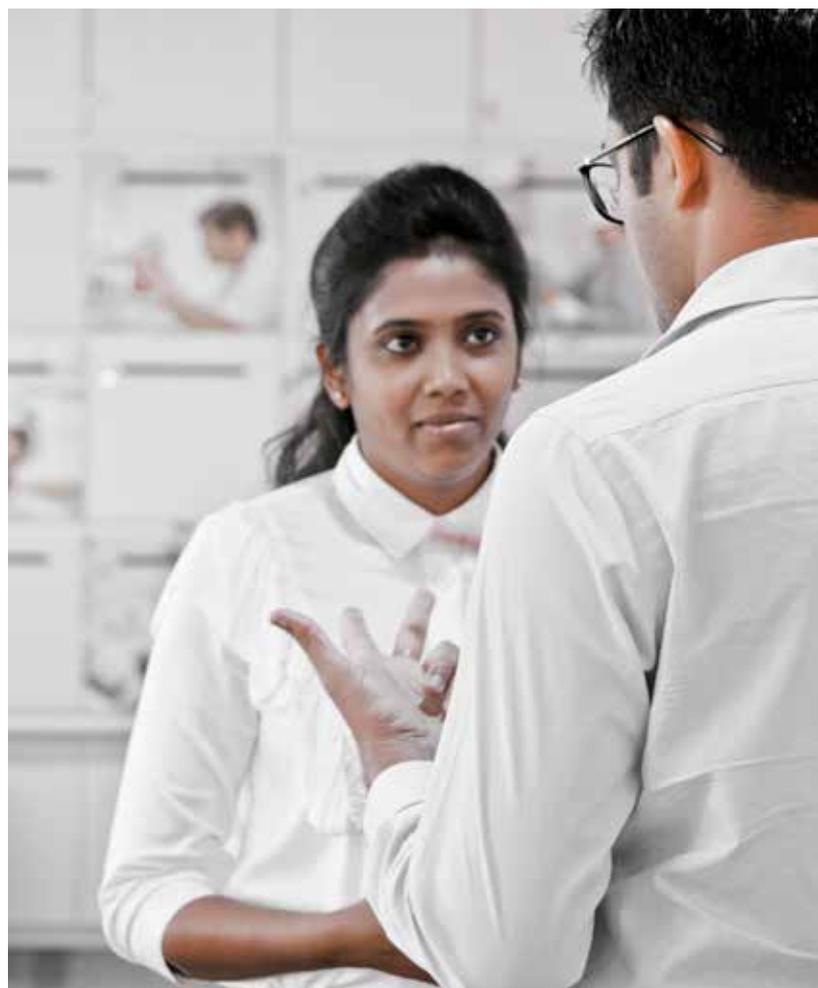
Not Applicable, as the Company did not have any debt in the current and previous year

(vi) Operating Profit Margin (%)

It is calculated by dividing the PBIT by turnover.

(vii) Net Profit Margin (%)

It is calculated by dividing the profit for the year by turnover.



Internal control systems and Integrity

Internal Controls has been a key focus area of the Company during the year. Internal Controls in the Company has been designed to further the interest of all its stakeholders by providing an environment, which is conducive to conduct its operations and at the same time putting in the appropriate checks & balances. In doing so, the Company's Internal Control environment has evolved over a decade to take care of, inter alia, financial, and operational risks. The organization has a holistic Internal Control framework comprising of elements like Country Management Committee, Corporate, Business & Local authorization tables, Local Management Instructions, Process and Entity- Level Controls, Enterprise Risk Management, Local Direct Management Testing Programs, and a strong emphasis on integrity and ethics as a part of work culture. Aligning with the global reporting structure, the Company has implemented a related Assurance process for every business which establishes the ownership & accountability of the financial statements at every business level. An independent service provider, having expertise in the field, has performed current year's Internal Financial Control effectiveness testing. Effective Statutory & Legal Compliance System is in place in the Company.

A well-organized Group level tool (GRCM) is available to handle testing, internal audit issues, deficiency tracking, etc. Further, the in-house independent Internal Audit team acts as a pillar to support our control objectives. ABB India also has a well-functioning Whistle Blower Policy in place to report any misdoing. Internal Control framework of ABB India is aligned with one of the most matured IC frameworks – COSO 1992 and then transitioned to COSO 2013. The current framework is also in line with the Internal Finance Control (IFC) requirement of The Companies Act, 2013.

Risk management

The Company has a robust Risk Management Charter and Policy, which provides an overall framework for Risk Management (RM) in the Company. The key elements of the Company's risk management framework have been captured in the risk management policy, which details the process for identifying, escalating, prioritizing, mitigating, and monitoring key risk events and action plans. The assessment of the risks covers areas of Strategy, Technology, Finance, Operations and Systems, Legal & Regulatory and Human Resources. There are appropriate

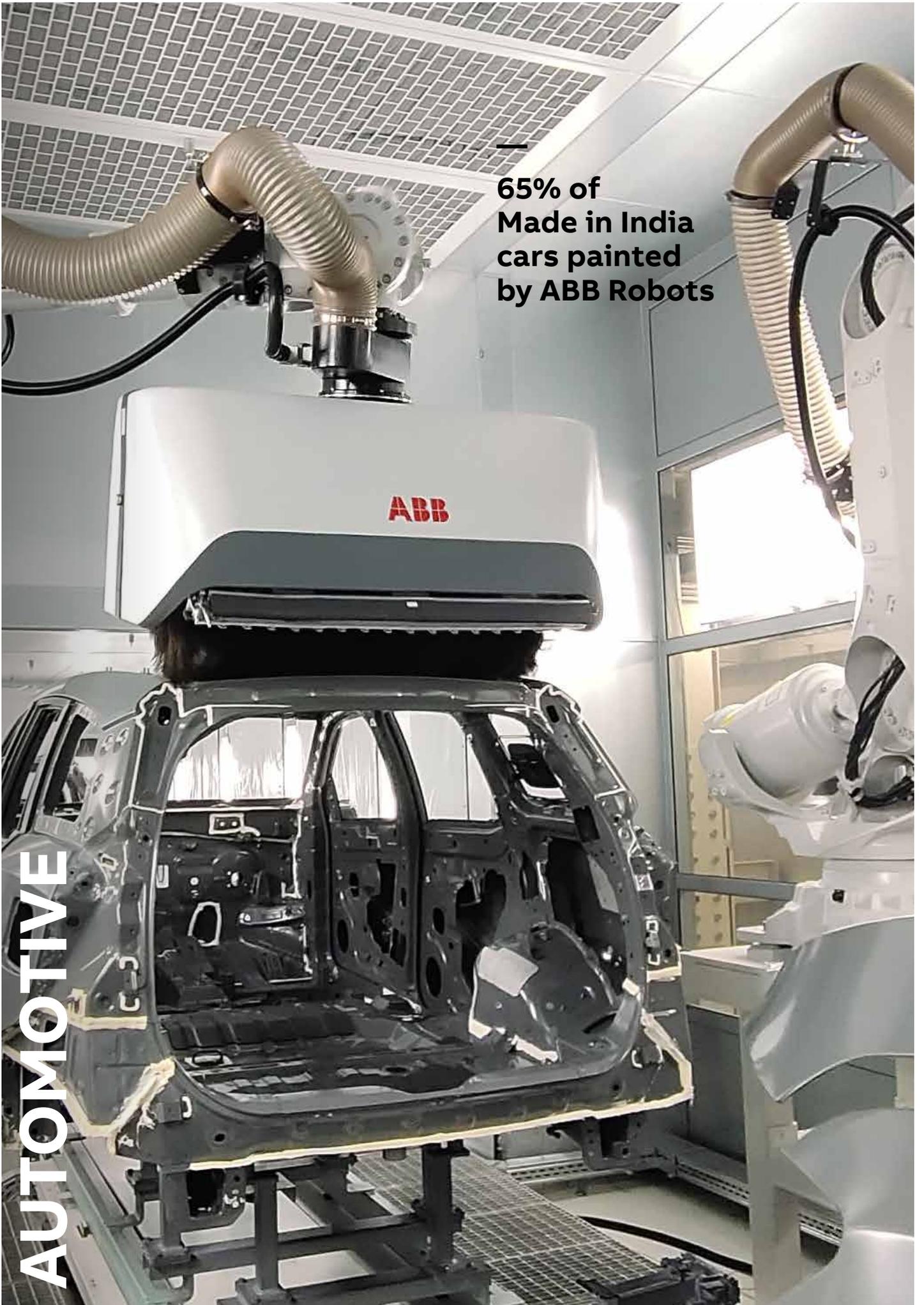
assurance and monitoring mechanisms in place to monitor the effectiveness of the risk management framework including the mitigation plans identified by the management for key risks identified through the risk management exercise. In addition, the Company also has a Risk Management Committee which reviews the analysis of ERM (Enterprise Risk Management) exercise done by the Company and provides necessary guidance on its implementation and monitoring.

The Company's existing framework provides for risk reviews at various levels based on Company's organizational structure matrix. Periodic assessment of risks, potential impact relating to business growth, profitability, talent engagement, and market position are conducted. Response to key operational risks, based on inputs received from the internal and external assessment, internal audit, performance review etc. are done on a regular basis.



65% of
Made in India
cars painted
by ABB Robots

AUTOMOTIVE



—
>750 Indian Railways electric locomotives run on ABB traction converters



RAILWAYS

Governance structure



04

**GOVERNANCE
STRUCTURE**

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Board of Directors



ADRIAN GUGGISBERG

Chairperson



SANJEEV SHARMA

Managing Director



CAROLINA GRANAT

Director



V. K. VISWANATHAN

Independent
Director



GOPIKA PANT

Independent
Director



MONICA WIDHANI

Independent
Director

Company Information

Board of Directors

Adrian Guggisberg Chairman (w.e.f. 6.5.2022)
Sanjeev Sharma Managing Director
Carolina Yvonne Granat (w.e.f. 1.4.2022)
V K Viswanathan
Gopika Pant
Monica Widhani (w.e.f. 6.5.2022)

Audit Committee

V K Viswanathan Chairman
Gopika Pant Member
Monica Widhani (w.e.f. 6.5.2022)
Adrian Guggisberg (w.e.f. 6.5.2022)

Stakeholders Relationship Committee

Gopika Pant Chairperson
Sanjeev Sharma Member
Monica Widhani (w.e.f. 6.5.2022)

Nomination and Remuneration Committee

V K Viswanathan Chairman
Gopika Pant (w.e.f. 31.3.2022)
Carolina Yvonne Granat (w.e.f. 6.5.2022)

Corporate Social Responsibility Committee

Monica Widhani Chairperson (w.e.f. 6.5.2022)
Sanjeev Sharma Member
Gopika Pant Member
Carolina Yvonne Granat (w.e.f. 1.4.2022)

Risk Management Committee

V K Viswanathan Chairman
Sanjeev Sharma Member
T. K. Sridhar Member

Chief Financial Officer and Chief Investor Relations Officer

T. K. Sridhar

Company Secretary and Compliance Officer

Trivikram Guda

Auditors

Messrs B S R & Co. LLP
Chartered Accountants
Embassy Golf Links Business
Park Pebble Beach, B Block,
3rd Floor, Off Intermediate
Ring Road, Bengaluru - 560 071

Secretarial Auditors

Messrs BMP & Co. LLP
Company Secretaries
No. 926, 20th Main,
BSK 2nd Stage
Bengaluru - 560 070

Cost Auditor

Ashwin Solanki & Associates
Cost Accountant
D/104, Koyna, Shantivan Near
National Park Borivali (East)
Mumbai - 400 066

Registered Office

Disha – 3rd Floor
Plot No. 5 & 6, 2nd Stage Peenya
Industrial Area IV Peenya,
Bengaluru - 560 058
Karnataka, India

Registrar and Share Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal,
Hyderabad – 500 032, Telangana

Bankers

Axis Bank Limited
Bank of America, N.A.
Bank of Bhutan Limited
Deutsche Bank AG
HDFC Bank Limited
ICICI Bank Limited
IDBI Bank Limited
JP Morgan Chase Bank, N.A.
Standard Chartered Bank
The Hong Kong and Shanghai
Banking Corporation Limited
Yes Bank Limited

Corporate Identity Number

L32202KA1949PLC032923

Country Management



SANJEEV SHARMA

Managing Director



TK SRIDHAR

Chief Financial
Officer



**RAMANKUMAR
SINGH**

Country Human
Resources Officer



TRIVIKRAM GUDA

Regional
General Counsel
& Company
Secretary



SANJEEV ARORA

President –
Motion



KIRAN DUTT

President –
Electrification



G BALAJI

Head of Energy
Division
Process
Automation



**SUBRATA
KARMAKAR**

President –
Robotics &
Discrete
Automation



DATA CENTERS



**~28% of hyperscale
data centers pan India
use ABB solutions**

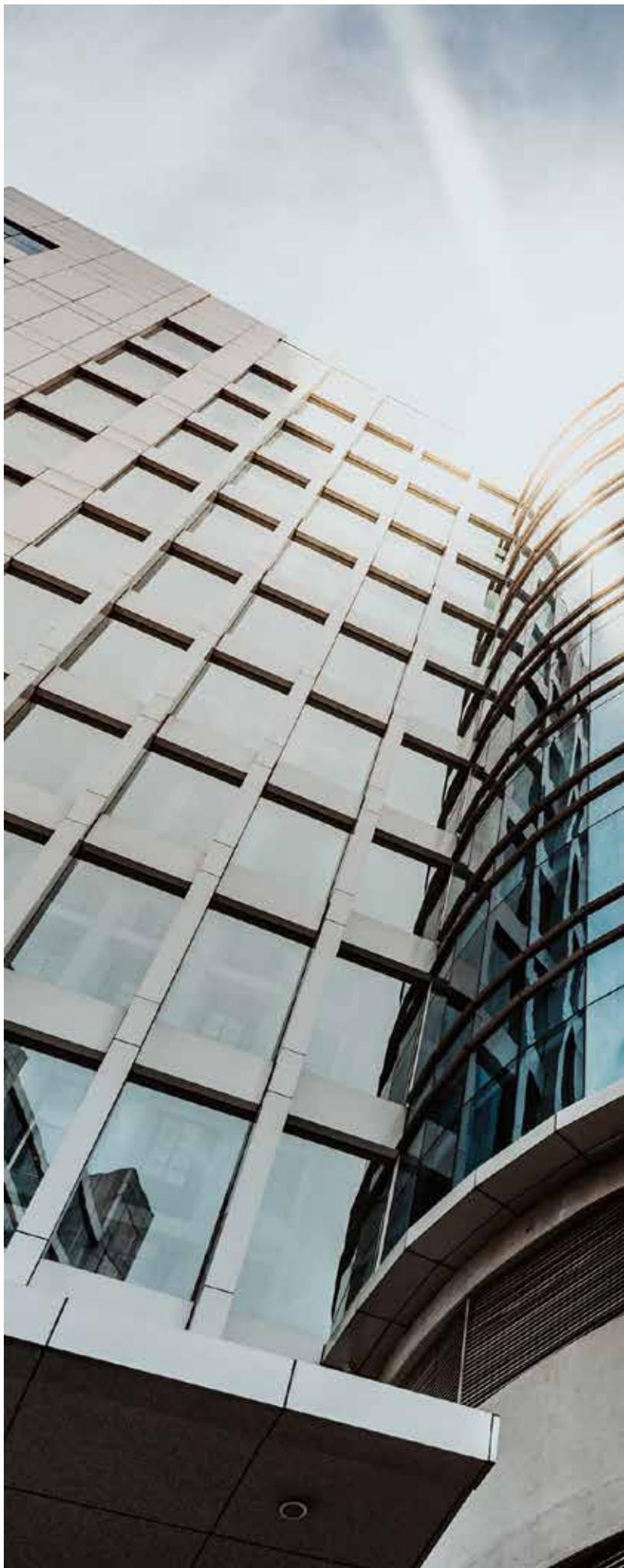


—
ABB robotics solutions used for manufacture and assembly of various 5G enabled network and electrical devices



ELECTRONICS

Statutory Report



05

**STATUTORY
REPORT**

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124 Boards' Report

Notice

NOTICE is hereby given that the SEVENTY THIRD ("73rd") ANNUAL GENERAL MEETING ('AGM') of the Members of ABB India Limited ('the Company') will be held on Thursday, May 04, 2023 at 11.00 A.M. (IST) at "Aura", Taj Yeshwantpur, 2275, Tumakuru Road, Yeshwantpur, Bengaluru-560 022 to transact the following businesses:

Ordinary Business:

Item No. 1 – Consideration and Adoption of Audited Financial Statements of the Company for the Financial Year ended December 31, 2022 and Reports of the Board of Directors and the Auditors thereon:

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended December 31, 2022 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and hereby adopted."

Item No. 2 – Declaration of Dividend:

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT a Dividend of ₹ 5.50 (Rupees Five and Fifty paise only) i.e. (275%) per Equity Share of the face value of ₹ 2 each for the financial year ended December 31, 2022 as recommended by the Board of Directors be declared and that the said Dividend be distributed out of the profits for the year ended December 31, 2022."

Item No. 3 – Re-appointment of Ms. Carolina Yvonne Granat as a Director liable to retire by rotation:

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Ms. Carolina Yvonne Granat (DIN: 09477744), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company."

Special Business:

Item No. 4 – Approval of remuneration to Cost Auditor of the Company for Financial Year ending December 31, 2023:

To consider and, if thought fit, to pass with or without modification(s) the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, Ashwin Solanki & Associates, Cost Accountants, having Firm Registration Number 100392, appointed by the Board of Directors of the Company on the recommendation of the Audit Committee, as Cost Auditors of the Company to conduct audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, for the financial year ending December 31, 2023 be paid remuneration of ₹ 25,00,000 (Rupees Twenty Five Lakhs only) plus applicable taxes and out of pocket expenses incurred connection with the audit.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

By Order of the Board

Trivikram Guda
Company Secretary
ACS: 17685

Place: New Delhi

Date: February 10, 2023

Registered Office:

Disha – 3rd Floor, Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya, Bengaluru - 560 058
Karnataka, India
CIN: L32202KA1949PLC032923
E-mail: investor.helpdesk@in.abb.com
Website: www.abb.com/in
Tel: +91 80 22949113

NOTES:

1. A Statement setting out material facts pursuant to the provisions of Section 102(1) of the Companies Act, 2013 (the "Act") in respect of special businesses set out at Item No. 4 of the Notice is annexed hereto. Further, additional information with respect to Item No. 3 is also annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, PARTNERSHIP FIRMS, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY AS APPLICABLE, ISSUED ON BEHALF OF THE APPOINTING ORGANISATION. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER. THE PROXY-HOLDER SHALL PROVE HIS IDENTITY AT THE TIME OF ATTENDING THE MEETING.

IN CASE OF JOINT HOLDERS ATTENDING THE MEETING, ONLY SUCH JOINT HOLDER WHO IS HIGHER IN THE ORDER OF NAMES WILL BE ENTITLED TO VOTE.

For convenience of Members, route map of the venue of the AGM is enclosed in this Annual Report at page no.- 230.

3. Members / Proxies / Representatives are requested to bring the attendance slip, annexed herewith (page no.- 231), for attending the meeting, duly completed and signed mentioning therein details of their DP ID and Client ID / Folio No.

4. The Annual Report of the Company for the year ended December 31, 2022 along with Notice, process and manner of remote e-voting, Attendance Slip and Proxy form are being sent by e-mail to those Members who have registered their e-mail address with the Company or with their respective DP or Registrar and Share Transfer Agents of the Company.

5. Please note that except Members / Proxies / Representatives / Invitees of the Company, no other person shall be allowed to attend the Meeting at the Venue. Relatives and acquaintances accompanying Members will not be permitted to attend the Meeting at the venue.

6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement, will be available for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. May 4, 2023. Members seeking to inspect such documents can send an e-mail to investor.helpdesk@in.abb.com

7. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, April 28, 2023 to Thursday, May 4, 2023 (both days inclusive) for the purpose of Dividend and AGM.

8. The dividend, as recommended by the Board of Directors of the Company, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable after May 4, 2023, to those persons or their mandates:

a) whose names appear as Beneficial Owners as at the end of business hours on Thursday, April 27, 2023 in the list of Beneficial Owners to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of shares held in dematerialized form; and

b) whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Thursday, April 27, 2023 after giving effect to valid request(s) received for transmission/transposition of shares.

9. In continuation with the MCA General Circulars No. 20/2020 dated May 5, 2020 & MCA General Circular No. 02/2022 dated May 5, 2022, SEBI Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022 and in accordance with the General Circular No. 10/2022 and General Circular No. 11/2022 dated 28.12.2022 & SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the Financial Year ended December 31, 2022 pursuant to Section 136 of the Act and Notice calling the AGM pursuant to Section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company / KFin or the Depository Participant(s). The physical copies of such statements and Notice of AGM will be dispatched only to those shareholders who request for the same.

Members who are desirous to have a physical copy of the Annual Report should send a request to the Company's e-mail id viz., investor.helpdesk@in.abb.com clearly mentioning their Folio number / DP and Client ID.

Members are requested to register/update their e-mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with the Company / KFin by following due procedure.

A copy of the Notice of this AGM along with integrated Annual Report for the FY 2022 is available on the website of the Company at <https://www.abb.com/in>, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at <https://evoting.kfintech.com>.

10. ADDITIONAL FACILITY TO ATTEND THE AGM THROUGH VIRTUAL MEANS:

Your Company is pleased to provide the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the e-voting website of KFin at <https://emeetings.kfintech.com/> using their secure login credentials. Members are encouraged to use this facility of webcast.

In Company's endeavor to provide an additional opportunity to shareholders who are unable to present physically at the AGM and to ensure participation of such members, limited number of members who have completed prior registration, on a first come first served basis will be provided with an additional facility to attend the AGM through video conferencing platform and allowed to express their views or ask questions. Members who are interested in availing the facility are requested to send their request in advance mentioning their name, demat account number / folio number, e-mail id, mobile number at investor.helpdesk@in.abb.com up to April 25, 2023 (5:00 p.m. IST). Company or its RTA officials would separately reach out to such Members to complete registration of such Members. Company may also arrange for a trial run in advance with such shortlisted members to ensure smooth conduct of the AGM. The detailed steps to be followed for attending the meeting through such means would be uploaded on the website of the Company under the 73rd Annual General Meeting section.

11. Shareholders who are attending the meeting in person and would like to express their views/have questions, may register themselves as a speaker by sending their request in advance mentioning their name, demat

account number/ folio number, e-mail id, mobile number at investor.helpdesk@in.abb.com from the date of this notice up to May 1, 2023 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Members are requested to share their questions if any in advance on investor.helpdesk@in.abb.com

In case of any query and/or help, in respect of attending AGM contact at investor.helpdesk@in.abb.com, or Ms. Shobha Anand, Deputy Vice President, KFin at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 2222 or call KFin's toll free No.: 1800-3094-001 for any further clarifications.

12. Members are requested to note that dividends not encashed or remaining unclaimed for a period of 7 (seven) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred, under Section 124 of the Act, to the Investor Education and Protection Fund ("IEPF"), established under Section 125 of the Act. Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members / claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in) along with requisite fee as decided by it from time to time. The Member / claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

It is in the Member's interest to claim any un-encashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the Member's account on time.

13. Members who have not yet encashed the dividend warrant(s) from the financial year ended December 31, 2015 onwards are requested to forward their claims to the Company's Registrar and Share Transfer Agents. It may be noted that once the unclaimed dividend is transferred to IEPF as above, no claim shall rest with the Company in respect of such amount. It may also be noted that the unclaimed dividend amounts which were lying with the Company upto the year ended on December 31, 2014, have been transferred to IEPF.

The details of the unclaimed dividends are available on the Company's website at www.abb.co.in and Ministry of Corporate Affairs at www.mca.gov.in. Members are requested to contact KFin Technologies Limited (earlier known as KFin Technologies Private Limited) ("KFin" or "KFintech"), Unit: ABB India Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Gachibowli, Serilingampally Mandal, Hyderabad – 500 032, Telangana, the Registrar and Share Transfer Agents of the Company, to claim the unclaimed / unpaid dividends.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in the prescribed Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority <https://www.iepf.gov.in/IEPF/refund.html>

14. Members are requested to:

- a. intimate to KFin/Company, changes, if any, pertaining to their postal address, e-mail address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI HO /MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021, in case of Shares held in physical form;
 - b. intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialised form;
 - c. quote their folio numbers/Client ID/DP ID in all correspondence;
 - d. consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
 - e. register their PAN with their Depository Participants, in case of Shares held in dematerialised form.
15. SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agent for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS) / National Electronic Clearing Service (NECS) / National Electronic Fund Transfer (NEFT)/Real Time Gross Settlement (RTGS)/Direct Credit, etc. As directed by SEBI, Members holding shares in physical form are requested to submit particulars of their bank account in Form ISR 1 along with the original cancelled cheque bearing the name of the Member to KFin / Company to update their bank account details. Members holding shares in demat form are requested to update their bank account details with their respective Depository Participant ("DP"). The Company or KFin cannot act on any request received directly from the
- Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Members. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Shareholders are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts. In case, the Company is unable to pay dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall dispatch the dividend warrant/demand draft to such Member by post/courier.
16. Members are requested to note that, in order to avoid any loss/ interception in postal transit and also to get prompt credit of dividend through National Electronic Clearing Service (NECS) / Electronic Clearing Service (ECS) they should submit their NECS / ECS details to the Company's Registrar and Share Transfer Agents. The requisite NECS/ECS application form can be obtained from the Company's Registrar and Share Transfer Agents. Alternatively, Members may provide details of their bank account quoting their folio numbers, to the Company's Registrar and Share Transfer Agents to enable them to print such details on the dividend warrants.
17. The members / investors may send their complaints/ queries, if any to the Company's Registrar and Share Transfer Agents' E-mail id: einward.ris@kfintech.com or to the Company's designated/exclusive E-mail id: investor.helpdesk@in.abb.com
18. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to KFin at the above-mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
19. Members holding physical shares may kindly note that if they have any dispute against the Company or the registrar & share transfer agent (RTA) on delay or default in processing the request, they may file for arbitration with the stock exchanges in accordance with SEBI circular dated May 30, 2022.
20. As per Regulation 40 of the Listing Regulations as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition of securities. Further,

SEBI vide its Circular dated January 25, 2022, has mandated that securities shall be issued only in dematerialised mode while processing duplicate / unclaimed suspense / renewal / exchange / endorsement / sub-division / consolidation / transmission / transposition service requests received from physical securities holders. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form.

Members are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of KFin to seek guidance in the demat procedure. Members may also visit website of depositories viz. National Securities Depository Limited at <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited at <https://www.cdslindia.com/Investors/open-demat.html> for further understanding the demat procedure.

21. Effective April 1, 2020, dividend income is taxable in the hands of shareholders. Hence the Company is required to deduct tax at source [TDS] from the amount of dividend paid to shareholders at the prescribed rates. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by e-mail to einward.ris@kfintech.com on or before Monday, April 24, 2023. Further no tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received from the Company during the Financial Year 2023-24 does not exceed ₹5,000/-. Shareholders may note that in case PAN is not updated with the Depository Participant/ Registrar of the Company, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non-resident shareholders are required to provide details on applicability of beneficial tax rates and provide following documents:

- Copy of PAN card, if any, allotted by Indian Income Tax Authorities duly self-attested by the member
- Copy of Tax Residency Certificate [TRC] for the FY 2023-24 obtained from the revenue authorities of country of tax residence duly attested by the member
- Self-Declaration in Form 10-F
- No-PE [permanent establishment] certificate
- Self-Declaration of beneficial ownership by the non-resident shareholder
- Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities

The members/shareholders are required to provide above documents/declarations by sending an E-mail to einward.ris@kfintech.com on or before Monday, April 24, 2023. The Shareholders in the category of Mutual Funds are required to submit their respective SEBI Registration Certificates to einward.ris@kfintech.com on or before Monday, April 24, 2023. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the provisions of the Income Tax Act, 1961. In case of Foreign Institutional Investors / Foreign Portfolio Investors tax will be deducted under Section 196D of the Income Tax Act @20% plus applicable Surcharge and Cess.

22. All documents referred in the accompanying Notice and Statement setting out material facts will be available electronically for inspection for Members on all working days between 10.00 a.m. and 12.00 noon up to Thursday, May 4, 2023 being the date of the Annual General Meeting. Members seeking to inspect such documents can send an E-mail to investor.helpdesk@in.abb.com

23. E-Voting:

1. In compliance with the provisions of Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the provisions of Regulation 44 of the Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by KFin on all resolutions set forth in this Notice.
2. The remote e-voting period commences at 9.00 a.m. IST on Saturday, April 29, 2023 and ends at 5.00 p.m. IST on Wednesday, May 3, 2023. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e., Thursday, April 27, 2023, may cast their vote electronically in the manner and process set out here in above. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
3. Any person holding shares in physical form and non- individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFin for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote.
4. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "other instructions".

5. The details of the process and manner for remote e-Voting are explained herein below:

Step 1 : Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Step 3 : Voting during the AGM.

Details on Step 1 are mentioned below:

I) Login method for remote e-Voting for Individual shareholders holding securities in demat mode

Type of shareholders	Login method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. User already registered for IDEAS facility:</p> <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDEAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. <p>2. User not registered for IDEAS e-Services</p> <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDEAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in point 1 <p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e.KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	<p>1. Existing users who have opted for Easi / Easiest</p> <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. <p>2. User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 <p>3. Alternatively, by directly accessing the e-Voting website of CDSL</p> <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e KFintech, where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> I. You can also login using the login credentials of your demat account through your DP registered with NSDL / CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – KFintech and you will be redirected to e-Voting website of KFintech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

II) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

(A) Members whose e-mail IDs are registered with the Company / Depository Participants (s), will receive an e-mail from KFin which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) 7207, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, e-mail ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., "ABB India Limited- AGM" and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and

partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter etc., authorizing its representative to attend the AGM on its behalf and to cast its vote through remote e-voting. Together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at e-mail id csnaman@ngjoshiandco.com with a copy marked to evoting@kfintech.com. The scanned image of the above-mentioned documents should be in the naming format "ABB India Limited 73rd Annual General Meeting".

(B) Members whose e-mail IDs are not registered with the Company / Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

- i. Members who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their e-mail address and mobile number provided with KFinTech, by

accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the e-mail address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.

- ii. Alternatively, member may send an e-mail request at the e-mail id einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

The Members who have not cast their vote(s) through remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. The facility for voting through electronic voting system (Insta Poll) shall be made available at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting; however, these Members are not entitled to cast their vote again in the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM.

24. Procedure to be followed by the Members updation of bank account mandate for receipt of dividend:

- I. Send a request to KFinTech at einward.ris@kfintech.com by providing the following details:
 - a) Folio No., Name of the Member/s;
 - b) Name and Branch of the Bank in which you wish to receive the dividend;
 - c) Bank Account type;
 - d) Bank Account Number allotted by their bank after implementation of Core Banking Solutions;
 - e) 9 digit MICR Code Number; and
 - f) 11 digit IFSC Code

- II. Along with the request, attach the scanned copy of Share Certificate (front and back), PAN (self-attested scanned copy of PAN card), scanned copy of cancelled cheque bearing the name of the first Shareholder.

25. Other Instructions:

- i. In case of any queries, you may refer Help & FAQ section of <https://evoting.kfintech.com> or call KFin Toll Free No. 1800 309 4001.
- ii. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he / she may obtain the User ID and Password in the manner as mentioned below:
 - a. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 - 1. Example for NSDL:
 - 2. MYEPWD <SPACE> IN12345612345678
 - 3. Example for CDSL:
 - 4. MYEPWD <SPACE> 1402345612345678
 - 5. Example for Physical:
 - 6. MYEPWD <SPACE> XXXX1234567890
 - b. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
 - c. Members who may require any technical assistance or support before or during the AGM are requested to contact KFinTech at toll free number 1800 309 4001 or write to them at evoting@kfintech.com.
- iii. However, if you are already registered with KFin for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on <https://evoting.kfintech.com> or call KFin Toll Free No. 1800 309 4001.
- iv. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. Thursday, April 27, 2023.

- v. The Board of Directors has appointed Mr. Naman G Joshi, (Membership No. FCS 8389 / CP No. PCS 9579), Practicing Company Secretary, Bengaluru and in the event of his inability, Mr. Pavan Kumar G, VP & Associates, Practicing Company Secretary, Bengaluru, (Membership No. A24353) as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
- vi. The scrutinizer shall immediately after the conclusion of voting at the general meeting, count the votes cast at the meeting and votes cast through remote e-voting in the presence of at least two witnesses who are not in the employment of the Company and within a period not exceeding two working days from the conclusion of the meeting, submit a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman in writing for counter signature.
- vii. The Results shall be declared either by the Chairman or the person authorized by the Chairman in writing and the resolutions will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour thereof.
- viii. Promptly after declaration of results, the same shall be placed along with the Scrutinizer's Report on the Company's website at www.abb.co.in and on the KFin's website at <https://evoting.kfintech.com> and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed for placing the same in their website.
- ix. A person who is not a member as on the cut-off date, should treat this Notice for information purpose only.

Annexure to the Notice of AGM

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING [PURSUANT TO SECRETARIAL STANDARD 2 (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI) AND REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS 2015]

1. Ms. Carolina Yvonne Granat

Name of the Director	Carolina Yvonne Granat
Director Identification Number (DIN)	09477744
Date of Birth / Age	14.02.1972 / 50 years
Date of Appointment on the Board	01.04.2022
Qualification	Master in Human Resources
Brief profile and nature of their expertise in specific functional areas	Ms. Granat is currently working as Chief Human Resources Officer of ABB. She is a Member of the Group Executive Committee of ABB Ltd, Switzerland. She is having more than two decades of rich experience in Human Resources Management, Talent and Performance management, People development, etc in multi-national and consulting firms.
Current remuneration (last drawn remuneration)	Not applicable
Details of remuneration sought to be paid	NIL
Key terms and conditions of appointment	She will be a Non-executive Non-independent Director of the Company. She will be required to comply with the applicable provisions of the Companies Act, and SEBI Regulations and other applicable laws.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	She is not related to any other Director and / or Key Managerial Personnel of the Company.
Number of meetings of the Board attended during the year	During the Financial Year 2022 she has attended 3 Board meetings
Directorships, Memberships / Chairmanships of committees of Listed Entities Boards as on December 31, 2022 [along with listed entities from which the person has resigned in the past three years]	<p>Directorships NIL</p> <p>Committee Membership/ Chairmanship Carolina is member of Corporate Social Responsibility Committee and Nomination and Remuneration Committee of ABB India Limited Ms. Granat has not resigned from any listed entities from past three years</p>

Statement setting out material facts under Section 102 of the Companies Act, 2013

None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of the Notice.

Item No. 4 – Approval of remuneration to Cost Auditor of the Company for Financial Year ending December 31, 2023:

The Board of Directors, at its Meeting held on February 10, 2023, upon the recommendation of the Audit Committee, approved the appointment of Ashwin Solanki & Associates, Cost Accountants having Firm Registration Number 100392, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending December 31, 2023, at a remuneration of ₹ 25,00,000 (Rupees Twenty Five Lakhs only) (plus Goods and Services Tax and reimbursement of out of pocket expenses).

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members.

By Order of the Board

Trivikram Guda
Company Secretary
ACS: 17685

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, Members of the Company are required to ratify the remuneration to be paid to the cost auditors of the Company.

Place: New Delhi
Date: February 10, 2023

Registered Office:

Disha - 3rd Floor, Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya, Bengaluru - 560 058
Karnataka, India
CIN: L32202KA1949PLC032923
E-mail: investor.helpdesk@in.abb.com
Website: www.abb.com/in
Tel: +91 80 22949113

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

Boards' Report

Your Directors have pleasure in presenting their Seventy Third Annual Report and Audited Accounts for the year ended December 31, 2022.

1. Financial Summary and Highlights:

(₹ in Crores)

Particulars	For the year ended	
	December 31, 2022	December 31, 2021
Profit before tax and exceptional items	1,011.00	585.85
Profit before tax and after exceptional items	1,350.26	707.19
Tax expense:		
- Current tax	328.29	176.85
- Deferred tax	5.74	10.63
Profit after tax	1,016.23	519.71
Other comprehensive income / (loss) (net of tax)	(11.82)	25.05
Balance brought forward from previous year	1,359.98	921.17
Amount available for appropriation	2,364.39	1,465.93
Appropriations:		
Equity dividend paid	110.19	105.95
Balance carried forward	2,254.20	1,359.98

2. Dividend:

Your Directors recommend payment of a dividend at the rate of ₹ 5.50 (Rupees Five and Fifty paise only) per equity share of the face value of ₹ 2/- each (275%) for the year ended December 31, 2022. Dividend pay-out is in accordance with the Company's dividend distribution policy and will be payable subject to approval of members at the ensuing Annual General Meeting and deduction of tax at source to those Shareholders whose names appear in the Register of Members as on the Record Date.

3. Dividend Distribution Policy:

The Dividend Distribution Policy containing the requirements mentioned in Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") can be accessed at the following Web-link: <https://new.abb.com/docs/librariesprovider19/default-document-library/dividend-distribution-policyca47b9f2c1f463c09537ff0000433538.pdf>

4. Transfer to Reserves:

The Directors have decided not to transfer any amount to the General Reserve for the year under review.

5. Share capital:

During the year under review, there was no change in share capital of the Company.

6. Performance and State of the company's affairs:

During the year, orders from continuing operations touched an all time historic high of ₹ 10,028 crore as

against ₹ 7,666 crore in 2021. In 2022, the Company was able to optimize the stable macro environment offered in the country as compared to global headwinds of uncertainty. Proactive engagement with identified sectors of high and moderate growth and the government's focus on sectors like infrastructure and transportation provided significant traction to the journey of profitable growth. The order backlog at the end of the year held steady at ₹ 6,468 crore which continued to provide visibility to the future revenue streams. The revenue for the Company for the year 2022 stood at ₹ 8,568 crore as against ₹ 6,934 crore in the previous year. For the full year, the Company's profit before tax before exception stood at ₹ 1,024 crore as compared to ₹ 603 crore in 2021. Profit after tax for the year was ₹ 1,026 crore. This includes an exceptional item of ₹ 339 Crore from the profit on the sale of the turbocharger business. On an overall basis, the catalysts for improved profitability include efficient opex management, better mix, improved service and product revenues, supported by a sharp focus on cost savings. The earnings per share for 2022 stood at ₹ 47.96 per share as compared to ₹ 24.53 per share in 2021.

Discussion on the performance and state of Company's affairs, has been covered as part of the Management Discussion and Analysis which forms part of this Report.

7. Management Discussion & Analysis

The Management Discussion & Analysis as required under the Listing Regulations is enclosed as in Annexure A, forming part of this Report.

8. Material changes and commitment, if any, affecting financial position of the Company from the end of Financial Year and till the date of this Report:

There has been no material change and commitment, affecting the financial performance of the Company that occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this Report.

9. Names of companies which have become or ceased to be Subsidiaries, joint ventures or associate companies during the year:

Turbocharging Industries and Services India Private Limited (TISPL) was incorporated as a wholly owned subsidiary of the Company on January 31, 2022 to carry on turbocharger business. The Company during the year under review sold the investment in TISPL to Turbo Systems Switzerland and by virtue of that TISPL has ceased to be a wholly owned subsidiary of the Company. Apart from this, no other company has become or ceased to be subsidiaries, joint ventures or associate companies.

10. Board Meetings and Annual General Meeting:

Four (4) meetings of the Board were held during the Financial Year 2022. Also, a separate meeting of Independent Directors as prescribed under Schedule IV of the Act, was held during the year under review. For details of the meetings of the Board and its Committees, please refer to the Corporate Governance Report forming part of this Report. The intervening gap between the Board meetings was within the period prescribed under Act.

The 72nd Annual General Meeting (AGM) of the Company was held on May 05, 2022 through Video Conferencing/ Other Audio Visual Means.

11. Directors and Key Managerial Personnel:

The Board of Directors of the Company at their meeting held on February 10, 2022 on the recommendation of the Nomination & Remuneration Committee appointed Ms. Carolina Granat (DIN: 09477744) as Non-Executive & Non-Independent Director of the Company with effect from April 1, 2022. Further, the Shareholders of the Company approved her appointment at the 72nd AGM held on May 5, 2022. Ms. Maria Rosaria Varsellona (DIN: 08892891), resigned from the office of Non-Executive & Non-independent Director of the Company effective from March 31, 2022.

Ms. Renu Sud Karnad (DIN: 00008064), resigned from the office of Non-Executive & Independent Director with effect from March 18, 2022 before the expiry of her term due to other commitments and limitation of time. Consequently, the Board of Directors of the Company at its meeting held on May 4, 2022 appointed Ms. Monica Widhani (DIN: 07674403) as Non-Executive & Independent Director of

the Company for term of three consecutive years effective from May 6, 2022 and the same was approved by the Shareholders by way of postal ballot, the results of which were declared on June 23, 2022.

Mr. Morten Wierod (DIN: 08753868) vide letter dated May 5, 2022 resigned from the office of Chairman & Non-Executive Non-Independent Director with effect from May 5, 2022.

On the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on May 4, 2022 appointed Mr. Adrian Guggisberg (DIN: 09590850) as Chairman & Non-Executive Non-Independent Director with effect from May 6, 2022. Requisite approval for his appointment was obtained from the Shareholders by way of postal ballot, the results of which were declared on June 23, 2022.

On the recommendation of the Nomination & Remuneration Committee, the Board at its meeting held on August 9, 2022 approved the re-appointment of Mr. V K Viswanathan (DIN: 01782934) as Non-Executive Independent Director for a further term of 2 consecutive years effective from November 13, 2022 and the same was approved by the shareholders by way of postal ballot, the results of which were declared on September 28, 2022.

In accordance with the provisions of the Act read with Article 157 of the Articles of Association of the Company, Ms. Carolina Yvonne Granat, Non Executive Non Independent Director, will retire by rotation at the ensuing Annual General Meeting of the Company, and being eligible, offers herself for re-appointment.

Brief profile and details of Ms. Carolina Yvonne Granat, Director proposed to be re-appointed as required under the Listing Regulations are contained in the Notice convening the ensuing 73rd Annual General Meeting of the Company.

Apart from aforesaid changes there are no changes in Directors and Key Managerial Personnel of the Company. Details of Directors and composition of various Committees of the Board are provided in the Corporate Governance Report forming part of this report. Details of the familiarization Programme for Directors have been provided under Corporate Governance section of the report.

Mr. Sanjeev Sharma (DIN: 07362344), Managing Director, Mr. T.K. Sridhar, Chief Financial Officer, and Mr. Trivikram Guda, Company Secretary continues to remain Key Managerial Personnel of the Company.

During the Financial Year, none of the Directors and Key Managerial Personnel of the Company had any material pecuniary relationship or transactions with the Company.

12. Independent Directors:

All Independent Directors of the Company have given declarations to the Company under Section 149 (7) of the Act that, they meet the criteria of independence as prescribed both under the Companies Act, 2013 (“the Act”) and Listing Regulations and that their names have been included in the data bank of Independent Directors maintained by The Indian Institute of Corporate Affairs. The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

13. Annual evaluation of Board Performance and Performance of its Committees and Directors:

Pursuant to applicable provisions of the Act, and the Listing Regulations, the Board has carried out annual evaluation of its own performance, performance of the Directors including Chairman assessment as well as the evaluation of the working of its Committees.

The NRC has defined the evaluation criteria and procedure for the Performance Evaluation process for the Board, its Committees and Directors.

During the year, feedback was sought by way of structured questionnaires and evaluation was carried out based on various criteria and the responses received from the Directors.

The criteria for performance evaluation of the Board included aspects such as Board composition and quality, setting strategy, overall direction, effectiveness of Board processes, Board and management relations, contribution, board development, timeliness of information etc., The criteria for performance evaluation of the Committees included aspects such as structure and composition of Committees, effective participation of member of the Committees, deliberations and suggestions made by the Committee, effectiveness of the Committee’s recommendation for the decisions of the Board, etc., A separate peer review exercise was carried out to evaluate the performance of Individual Directors. The performance evaluation of the Chairman of the Board was also carried out, considering the views of all the remaining Directors.

Further, the Independent Directors, at their exclusive meeting held during the year, reviewed the performance of the Board, its Chairman and Non- executive Directors and other items as stipulated under the Listing Regulations.

14. Nomination and Remuneration Policy:

The details of Nomination and Remuneration Policy of the Company for Directors, Key Managerial Personnel (KMP), Senior Management personnel (SMP) and other

employees along with other related matters have been provided in the Corporate Governance Report.

Your Company has revised its Nomination and Remuneration Policy to inter alia cover the role of Nomination and Remuneration Committee, appointment criteria and qualifications for appointment of Board of Directors, KMP and SMP, fixing of remuneration of Independent Directors, Executive Directors, KMPs, SMP and other employees, their removal and business continuity. The copy of the Nomination and Remuneration policy can be accessed by clicking on weblink https://new.abb.com/docs/librariesprovider19/default-document-library/nomination-and-remuneration-policy_new.pdf?sfvrsn=4548880a_2

15. Particulars of Employees and Remuneration:

The information required under Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure B which forms part of this Report. The information required under Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of Annexure C. Further, the Report and the Accounts are being sent to the Members excluding the aforesaid statement. In terms of Section 136 of the Act, the said statement will be open for inspection upon specific request made in writing to the Company by the Members. Any Member interested in obtaining the same may write to the Company Secretary at investor.helpdesk@in.abb.com. None of the employees listed in the said Annexure is related to any Director / KMP of the Company. The said information is available for inspection by the Members on any working day of the Company up to the date of the 73rd Annual General Meeting.

16. Particulars of loans, guarantees or investments under Section 186 of the Act:

Particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security if any are provided in notes to the Financial Statements.

17. Deposits:

Your Company has not accepted any public deposits during the year under review.

18. Internal Control Systems and their adequacy:

The Company’s internal control systems are commensurate with the nature of its business, the size and complexity of its operations and such internal financial controls with reference to the Financial Statements are adequate. The Company has implemented robust processes to ensure

that all internal financial controls are working effectively. The details on Internal Control Systems and their adequacy are provided in the Management's Discussion and Analysis which forms part of this Report.

19. Directors' Responsibility Statement:

In accordance with Section 134(5) of the Act, your Directors confirm that, to the best of their knowledge and belief:

- (a) that in the preparation of the annual accounts for the Financial year ended December 31, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) Appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on a going concern basis;
- (e) Appropriate internal financial controls have been laid down and that such internal financial controls are adequate and are operating effectively; and
- (f) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 is attached as Annexure D which forms part of this Report.

21. Related Party Transactions:

The Company has adopted a policy on materiality of and Related Party Transactions for the purpose of review and approval of such transactions. The objective is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. All Related Party Transactions entered during the year were in the ordinary course of business and on arm's length basis. The details of Related Party Transaction under the provisions of Section 188 of the Act, requiring

disclosures to be made in Form No.AOC-2 pursuant to Section 134 of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 which is attached as Annexure E. During the year under review, your Company had not entered into any Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements.

All related party transactions are placed before the Audit Committee for approval. Prior omnibus approval of Audit Committee is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and at arm's length.

All related party transactions are subjected to independent review by Ernst & Young LLP (EY) to verify and ensure and confirm that the transactions carried out were in the ordinary course of business and at arm's length basis. EY submits its Report to the Audit Committee at its quarterly meetings.

Transactions with related parties, as per the requirements of Indian Accounting Standard 24 are disclosed in the notes to accounts annexed to the financial statements. Your Company's Policy on Related Party Transactions, as adopted by your Board, can be accessed on the Company's website and can be accessed at the Web-link https://new.abb.com/docs/librariesprovider19/default-document-library/rpt-policy-approved_feb-10-2022.pdf?sfvrsn=185cdf09_2

22. Statutory Auditors:

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Messrs. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W / W-100022), were appointed as Statutory Auditors of the Company for a term of 5 years, to hold office from the conclusion of 72nd Annual General Meeting held on May 5, 2022 until the conclusion of 77th Annual General Meeting to be held in 2027.

The Auditors have issued an unmodified opinion on the Financial Statements, for the financial year ended December 31, 2022. The said Auditors' Report(s) for the financial year ended December 31, 2022 on the financial statements of the Company forms part of this Annual Report.

23. Cost Auditor:

The Company is required to make and maintain cost records for certain products as specified by the Central Government under sub-section (1) of Section 148 of the Act. Accordingly, the Company has been making and maintaining the records as required. The Board had appointed Ashwin Solanki & Associates, Cost Accountants (Registration No: 100392), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year ended December 31, 2022.

The Board of Directors on the recommendation of the Audit Committee, has reappointed Ashwin Solanki & Associates, Cost Accountants (Registration No: 100392), as the Cost Auditors of the Company for the Financial Year ended December 31, 2023 under section 148 of the Act.

Ashwin Solanki & Associates, Cost Accountants have confirmed that their appointment is within the limits of section 141(3)(g) of the Act, and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Act. The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

As per the provisions of the Act, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their approval. Accordingly, a Resolution seeking Members' approval for the remuneration payable to Ashwin Solanki & Associates, Cost Auditors is included in the Notice convening the 73rd Annual General Meeting of the Company and same is recommended for your consideration.

Cost Audit and Compliance reports for the year 2021 were filed with the Ministry of Corporate Affairs, within the prescribed time limit.

24. Reporting of frauds:

During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee and / or Board under section 143(12) of the Act.

25. Secretarial Audit:

Pursuant to the provisions of section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed BMP & Co. LLP, Company Secretaries, Bengaluru (Firm Registration No. AAI-4194) to undertake the Secretarial Audit of the Company. The Company has annexed to this Board's Report as Annexure F, a Secretarial Audit Report for the Financial Year ended December 31, 2022 given by the Secretarial Auditor. The Auditor has issued an unmodified Report for the Financial Year ended December 31, 2022.

26. Annual Secretarial Compliance Report:

The Company has undertaken an audit for the Financial Year ended December 31, 2022 for all applicable compliances as per Listing Regulations and Circulars / Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Mr. Biswajit Ghosh, Partner, BMP & Co. LLP, Company Secretaries, Bengaluru has been submitted to the Stock Exchanges and is annexed at Annexure G to this Board's Report.

27. Corporate Governance Report and Certificate:

As required under Regulation 34 (3) read with Schedule V (C) of the Listing Regulations, a report on Corporate Governance and the certificate as required under Schedule V (E) of the Listing Regulations from Messrs. V. Sreedharan & Associates, Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance are given in Annexure H and **Annexure I** respectively, forming part of this report.

28. Risk Management:

The Company has a Risk Management Policy and constituted a Risk Management Committee as required under Listing Regulations. The Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans, risk reporting and carries out other related activities as per the Listing Regulations. The purpose of the Committee is to assist the Board of Directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

The details and the process of Risk Management as implemented in the Company are provided as part of Management's Discussion and Analysis which forms part of this Report.

29. Vigil Mechanism and Whistle Blower Policy:

The Company has a Vigil Mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The mechanism provides for adequate safeguards to employees and business associates reporting unethical practices and encourages employees to report genuine concerns or grievances such as unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct.

The Whistle Blower Policy is available on the Company's website at www.abb.co.in

30. Significant and Material Orders Passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company:

During the Financial Year under review, no regulator or court has passed any significant and / or material orders impacting the going concern status of the Company and its future operations.

31. Corporate Social Responsibility (CSR):

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was subsequently adopted by it and is being implemented by the Company for carrying out various CSR activities

Composition of the Committee and other details are provided in Corporate Governance Report. The Company's focus on CSR activities are predominantly in the areas of Education, Diversity and inclusion in the fabric of society, Environment and Social Issues of the Communities.

The Company has implemented various CSR projects directly and / or through implementing partners and the projects undertaken by the Company are in accordance with Schedule VII of the Act.

During the year under review, your company was required to spend ₹ 9,87,67,666.59 out of which your Company spent ₹ 5,88,58,539/- and an amount of ₹ 3,99,11,461/- remained unutilised due to implementation delays, such as delay in getting requisite approvals from local authorities, overlap of the projects between two calendar years etc., The Company has transferred the unutilised amount(s) to a specified account in accordance with the Act and the same will be utilized within the prescribed time limits.

A brief outline of the Corporate Social Responsibility Policy of the Company and the initiatives undertaken on CSR activities during the Financial Year ended December 31, 2022 is given in Annexure J, forming part of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

In compliance with requirements of Section 135 of the Act, the Company has laid down a CSR Policy which is published on its website and can be accessed by clicking on https://new.abb.com/docs/librariesprovider19/default-document-library/csr-policy.pdf?sfvrsn=c5444009_2

32. Business Responsibility and Sustainability Report:

The 'Business Responsibility and Sustainability Report' (BRSR) of your Company for the Financial Year ended December 31, 2022 forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations. Your Company continues to execute strong ESG proposition by working with all relevant stakeholders as well as in its own operations.

33. Transfer to Investor Education and Protection Fund:

As required under Section 124 of the Act, the unclaimed dividend amount aggregating to ₹ 40.39 lakhs lying with the Company for a period of seven years pertaining to the financial year ended on December 31, 2014, was transferred during the Financial Year 2022, to the Investor Education and Protection Fund established by the Central Government.

34. Secretarial Standards:

During the Financial Year, your Company has complied with the mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

35. Disclosure as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Your Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions

of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, the Company has constituted an Internal Committee for conducting inquiry into the sexual harassment complaints at the work place and for taking such actions as stipulated under the said act. During the year 2022, three complaints of sexual harassment were received, and all three were addressed and closed during the Financial Year ended December 31, 2022. No complaints were pending as at the date of this report.

36. Annual Return:

Pursuant to section 134(3)(a) and section 92(3) of the Act, read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at <https://new.abb.com/news/detail/87676/annual-returns-with-challans>

37. Proceedings under the Insolvency and Bankruptcy Code, 2016 (31 of 2016):

During the financial year, neither any application nor any proceeding is initiated against the Company under the Insolvency and Bankruptcy Code, 2016.

38. Other Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions / events on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (including Sweat Equity Shares) to employees of the Company under any Scheme.
3. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3)(c) of the Act).
4. There has been no change in the nature of business of your Company.
5. The Company has not made any one-time settlement for loans taken from the Banks or Financial Institutions.
6. There was no revision of financial statements and Board's Report.

39. Acknowledgements:

Your Directors appreciate and value the co-operation and support of the Company's parent company, customers, members, suppliers, bankers, associates, Central and State Governments and employees at all levels and look forward to continuance of the supportive relations and assistance in the future.

For and on behalf of the Board

Adrian Guggisberg
Chairman
DIN: 09590850

Place : New Delhi

Date : February 10, 2023

Annexure - B to Boards' Report

Statement of Disclosure of Remuneration.

The information relating to remuneration of Directors / Key Managerial Personnel as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company for the Financial Year 2022, the percentage increase in remuneration of Chief Executive Officer (MD), Chief Financial Officer and Company Secretary during the Financial Year 2022.

Sl. No.	Name of the Director / Key Managerial Personnel	Designation	Ratio of Remuneration of each Director to median remuneration of employees	Percentage increase in Remuneration
1	Mr. Sanjeev Sharma	Managing Director	55:01	New Contract
2	Mr. T. K. Sridhar	Chief Financial Officer	17:01	Lumpsum Pay
3	Mr. Trivikram Guda	Company Secretary	07:01	NA

Notes:

- Percentage of increase in remuneration is effective March 1, 2022.
 - Independent Directors of the Company are entitled for sitting fees and commission as per the Statutory Provisions and within the limits approved by the Shareholders. As a Policy, the Non-executive and Non-independent Directors are neither paid sitting fee nor paid any commission. The details of remuneration of Independent Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-executive Directors Remuneration is therefore not considered for the above purpose.
- Percentage increase in the median remuneration of employees for the financial year: 8%.
 - Number of permanent employees on rolls of the Company as on December 31, 2022: 3139
 - Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and to point out if there are any exceptional circumstances for increase in the managerial remuneration:

As per Company's increment guidelines.
 - Affirmation that the remuneration is as per remuneration policy of the Company: Yes

For and on behalf of the Board

Adrian Guggisberg
Chairman
DIN: 09590850

Place : New Delhi

Date : February 10, 2023

Annexure - D to Boards' Report

Conservation of energy, technology absorption, foreign exchange earnings and outgo.

Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014.

A. Conservation of energy

1. Steps taken or impact on conservation of energy:

- Power factor maintenance by doing the periodic / preventive maintenance of the Automatic power factor correction panel.
- Maintenance area of the Building / Street lights / Admin blocks, TVAC, HR / IR block conventional lights are replaced with the LED type.
- Winding Shop Chiller system – Installed Condenser Heat Recovery Coil in the duct immediately after AHU output and circulated warm water from condenser discharge through this coil (CHRC) to avoid electrical strip and duct heater operation up to maximum extent.
- Elgi make Air compressor for supply of high-pressure Air to shop floor–Reduced the Air pressure cycle operation and incorporated with VFD control and resulted in reduction of power consumption.
- Reconditioning of Solar Roof top system.
- STP Automation and Installation of VFD to STP Blowers.
- LED light capacity reduction from 150W to 140W in Shopfloor.
- Replacing control panel & Installation of VFD for AHU.
- Replaced old conventional air conditioner for ADMIN Block by VRF type air conditioner.
- AIS FAT Area all T5 tube fixture replaced by new LED Fixtures.

2. The steps taken by the company for utilizing alternate sources of energy:

- Conventional office AC are replaced with Energy efficient VRF type and eco-friendly refrigerant gas.
- Solar power generation by inhouse Grid synchronized PV Solar Plants.
- Installation of Solar Street lights-16 no's for Plant boundary illumination.
- PV Solar inverter installation on Main Gate office & Health center

3. The Capital Investment on energy conservation equipment's:

- Installation of independent 11 KV supply feeder for less power failures resulted saving in fuel cost for DG sets.
- Installation of Energy efficient IE3 / IE4 motors on Plant machines, AHUs & air compressor.

B. Technology absorption

1. The efforts made towards technology absorption:

- Upgradation of Smart factory to Industry 5.0 level.
- Upgraded the Smart Factory software with newer features in data acquisition and consolidation.
- Engagement with customers on trolley-line systems / e-mine solutions

2. The benefits derived as a result of technology absorption:

Benefits have been reflected in terms of improvement of product reliability and quality, standardization of various products, improved product variants, introduction of new product lines, better aesthetics, meeting specific customer requirements, improved measurement range and accuracy level, cost reduction, reduction in carbon emission and increased acceptability products in local and global markets.

3. Technologies imported during the last three years

• Formula Air ACBs - the new Mid-High variant of ACBs	2020
• E9 ACBs new voltage variant up to 900VAC	2020
• Xtmax MCCBs LIG variant	2020
• 7.2 kV / 36 KV Generator circuit breaker	2021
• VCB for ARC furnace application	2021
• Digital Solutions for Switchgear	2021
• NMK 710 slip ring machine along with brush lifting device & NXR series motors for US LSU	2021
• Product updates in Emax2.0	2022
• Launched Xt5 and Xt6 MCCBs	2022
• Online Quality Control System (QCS) and Offline Quality Measurement systems (LnW) for Paper	2022

All technologies are fully absorbed.

4. The expenditure incurred on Research and Development:

Considering the nature of research and development, complexity, competency required, time frame, amount and also to optimize overall cost, all major R&D efforts are pooled centrally at the Group level. Certain development activities were carried out by the Company and have been billed to the central technology center. The expenditure had been mainly in the nature of payment of license fee for use of technology knowhow reported as royalty and technology fees under other expenses. Local R&D activities undertaken by the Company were mainly in localizing the products, adoption of global products to local environment, carrying out cost saving actions and other improvements.

C. Foreign exchange earnings and outgo

Total foreign exchange used and earned

	(₹ in Crores)	
	2022	2021
(i) Foreign exchange earned	1,013.17	871.75
(ii) Foreign exchange used	4,460.54	3058.68

For and on behalf of the Board

Adrian Guggisberg
Chairman
DIN: 09590850

Place : New Delhi

Date : February 10, 2023

Annexure - E to Boards' Report

FORM AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Details of contract entered with related parties during Financial Year 2022

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended December 31, 2022, which were not on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

There are no material contracts or arrangements or transactions were entered by the Company with any Related Party, during the period under review.

3. Details of non-material contracts or arrangement or transactions at arm's length basis

a	Name(s) of the related party and nature of relationship	Turbo Systems Switzerland Ltd
b	Nature of contracts/arrangements/transactions	Sale of 31,49,99,999 (thirty one crore forty nine lakh ninety nine thousand nine hundred ninety nine) equity shares along with 1 (one) equity share of face value of ₹ 10/- each (Rupees ten only) held through Mr. Bhanutej Keshavrao Patil as nominee in Turbocharging Industries and Services India Private Limited to Turbo Systems Switzerland Ltd for a consideration of ₹ 355,00,00,000/- (Rupees Three Hundred and Fifty Five Crores only), which consideration has been determined on the basis of the Valuation Report(s)
c	Duration of the contracts/arrangements/transactions	One time sale
d	Date(s) of approval by the Board, if any:	August 9, 2022
e	Amount paid as advances, if any:	Nil

For and on behalf of the Board

Adrian Guggisberg
Chairman
DIN: 09590850

Place : New Delhi
Date : February 10, 2023

Annexure - F to Boards' Report

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st DECEMBER, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
ABB India Limited
CIN: L32202KA1949PLC032923
Disha- 3rd Floor Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya
Bengaluru - 560058

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ABB India Limited (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st December 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on 31st December 2022 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- iii. The Depositories Act, 1996 and the Regulations and byelaws framed there under.
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not applicable as Company has not issued any security during the year under review.
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not applicable as the Company does not have ESOP Scheme / shares;
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable as Company has not issued debt securities during the year under review.
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review.

- h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not applicable as the Company has not delisted / proposed to delist its equity shares from any stock exchange during the financial year under review;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable as the Company has not bought back / proposed to buyback any of its securities during the financial year under review.
- vi. The Company has identified the following laws as specifically applicable to the Company:
1. Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder.
 2. Boilers Act, 1923 & Rules made thereunder.
 3. Electricity Act, 2003
 4. Indian Explosives Act, 1884
 5. Gas Cylinder Rules, 1981 (under Indian Explosives Act)
 6. Static and Mobile Pressure Vessels (Unfired) Rules, 1981 (under Indian Explosives Act)
 7. Environment (Protection) Act, 1986
 8. The Water (Prevention and Control of Pollution) Act, 1974 & Central Rules / concerned State Rules.
 9. The Air (Prevention and Control of Pollution) Act, 1981 & Central Rules / concerned State Rules
 10. Hazardous Wastes (Management and Handling) Rules, 1989
 11. Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989
 12. The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules / concerned State Rules.
 13. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, PPF Schemes.
 14. The Employees' State Insurance Act, 1948 & its Central Rules / concerned State Rules.
 15. The Minimum Wages Act, 1948 & its Central Rules / concerned State Rules / Notification of Minimum Wages applicable to various class of industries / Trade.
 16. The Payment of Wages Act, 1936 & its Central Rules / concerned State Rules if any.
 17. The Payment of Bonus Act, 1965 & its Central Rules / concerned State Rules if any.
 18. The Payment of Gratuity Act & its Central Rules / concerned State Rules if any.
 19. The Maternity Benefit Act, 1961 & its Rules.
 20. The Equal Remuneration Act, 1976.
 21. The Industrial Employment (Standing Orders) Act, 1946 & its Rules.
 22. The Apprentices Act, 1961 & its Rules.
 23. The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959.
 24. The Workmen's Compensation Act, 1923
 25. The Industrial Dispute Act, 1947
 26. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 27. The Information Technology Act, 2000

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that: -

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the compositions of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.
- iv. Based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines; and
- v. As informed, the Company has responded to notices for demands, claims, penalties etc. levied by various statutory / regulatory authorities and initiated actions for corrective measures, wherever necessary.

For **BMP & Co. LLP**,
Company Secretaries

CS Biswajit Ghosh
Designated Partner
FCS No.: 8750 CP. No.: 8239
UDIN: F008750D003136941

Place : Bengaluru
Date : February 10, 2023

This report to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
ABB India Limited
CIN: L32202KA1949PLC032923
Disha- 3rd Floor Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya
Bengaluru - 560058
Karnataka

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to Covid restrictions, only the soft copies of the documents were verified.
8. We further report that, based on the information provided by the Company its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary / Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy.
9. We further report that the Compliance by the Company of applicable financial laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

For **BMP & Co. LLP**,
Company Secretaries

CS Biswajit Ghosh
Designated Partner
FCS No.: 8750 CP. No.: 8239
UDIN: F008750D003136941

Place : Bengaluru
Date : February 10, 2023

Annexure - G to Boards' Report

Secretarial compliance report of ABB India Limited for the year ended 31st December, 2022

To,
The Members,
ABB India Limited
CIN: L32202KA1949PLC032923
Disha- 3rd Floor Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya
Bengaluru - 560058

We, **BMP & Co. LLP**, have examined:

- (a) all the documents and records made available to us and explanation provided by ABB India Limited ("the listed entity").
- (b) the filings / submissions made by the listed entity to the stock exchanges.
- (c) website of the listed entity.
- (d) any other document / filing, as may be relevant, which has been relied upon to make this certification.

for the year ended 31st December 2022 ("Review Period") in respect of compliance with the provisions of:

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI").

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not Applicable as the Company did not issue any security during the financial year under review.
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; - Not Applicable as the Company did not buyback any of its securities during the financial year under review.
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; - Not applicable as the Company did not issue any Employee Stock Option Scheme for its employees.
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not Applicable as Company has not issued debt securities during the year under review.
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; - Not Applicable as Company has not issued Preference shares during the year under review.
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
- (i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; - Not applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the financial year under review; and
- (j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - Not applicable as the Company has not delisted its equity shares from any stock exchange during the financial year under review.

and based on the above examination, we hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder, except in respect of matters specified below: -

Sl. No.	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Deviations	Observations / Remarks of the Practicing Company Secretary
1	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Second proviso to Regulation 23 (9)- Provided further that the listed entity shall make such disclosures every six months within fifteen days from the date of publication of its standalone and consolidated financial results:	The Company has made the related party disclosure for the six months ended 30.06.2022 with a delay of two days.	The delay was completely inadvertent and the company had made its best efforts to comply with Regulation 23(9) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
2	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 39(3), The listed entity shall submit information regarding loss of share certificates and issue of the duplicate certificates, to the stock exchange within two days of its getting information.	The Company intimated loss of share certificate made on 28th November 2022 for intimation received from RTA on 25th November which was beyond two days.	The delay was completely inadvertent. The documents were collected by RTA on 25th November, 2022, but the same was intimated to the Company on 26th November, 2022 which resulted in the administrative and unintentional delay. The Company has noted the same and processes have been made to ensure compliance with Regulation 39(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued thereunder insofar as it appears from my / our examination of those records.
- (c) The following are the details of actions taken against the listed entity / its promoters / directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sl. No.	Action taken by	Details of violation	Details of action taken E.g., fines, warning letter, debarment, etc.	Observations / remarks of the Practicing Company Secretary, if any.
	NA	NA	NA	NA

- d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sl. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Regulation 21 (3A) and (4), the risk management committee shall meet at least twice in a year. The Company follows the calendar year January to December as its financial year and the said notification became effective from 5th May 2021. The Company has conducted one meeting of Risk Management Committee during the review period. The Company is in the process of amending Risk Management policy as per the requirements laid down in Part D of Schedule II.	Year ending 31.12.2021 - The Company had conducted one meeting of Risk Management Committee during the review period.	The Company has conducted two risk management committees during this year and amended the risk management policy as per the requirements laid down in Part D of Schedule II.	The Company has conducted two risk management committees during this year and amended risk management policy as per the requirements laid down in Part D of Schedule II.

- (e) The terms of appointment the Statutory Auditor are in line with 6(A) and 6(B) of SEBI Circular No. CIR/CFD/CMD1/14/2019 dated October 18, 2019.

For **BMP & Co. LLP**,
Company Secretaries

CS Biswajit Ghosh
Designated Partner
FCS No.: 8750 CP. No.: 8239
UDIN: F008750D003137007

Place : Bengaluru
Date : February 10, 2023

Annexure - H to Boards' Report

Report on Corporate Governance

Your Directors are pleased to present the Corporate Governance Report.

1. Corporate Governance Philosophy

The Company is committed to good Corporate Governance and your Company's actions are governed by its Values and Code of Conduct. The Company considers itself a trustee of its shareholders and fully realises the rights of its shareholders to information on the performance of the Company. The Company provides detailed information on various issues concerning the Company's business and financial performance to its shareholders. The basic philosophy of Corporate Governance in the Company is to achieve business excellence and dedicate itself for increasing long-term shareholder value, keeping in view the needs and interests of all its stakeholders. The Company is committed to transparency in all its dealings and places emphasis on business ethics.

2. Board of Directors

- I The Board composition is in conformity with Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) read with Sections 149 and 152 of the Companies Act, 2013 ('the Act'). The Board comprises of six (6) Directors viz., three Independent and three Non-independent, out of which, three including two Independent Directors are Woman Directors. The three Non-independent Directors, consist of the Non-executive and Non-independent Chairman of the Company, Managing Director and Non-Executive Non-Independent Director.
- II Except the Managing Director, two other Non-executive, Non-independent Directors are liable to retire by rotation. In the ensuing Annual General Meeting, Ms. Carolina Yvonne Granat (DIN: 09477744), Non-executive, Non-independent Director, who is retiring by rotation at this Annual General Meeting and being found eligible has offered herself for re-appointment. As required under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2, particulars of the Director seeking re-appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting ('AGM') forming part of this Annual Report. None of the Directors are related to each other and there are no inter se relationships between the Directors. Mr. V K Viswanathan, Independent Director who was appointed for a initial term of three years with effect from November 13, 2019 was re-appointed as an Independent Director for a second term of two (2) consecutive years effective from November 13, 2022. The re-appointment was approved by the shareholders by way of postal ballot during the year under review. Ms. Gopika Pant, Independent Director was appointed for a period of three (3) consecutive years effective April 27, 2021 and Ms. Monica Widhani was appointed as Independent Director of the Company for a term of three (3) consecutive years effective from May 6, 2022.

During the financial year, Ms. Renu Sud Karnad (DIN: 00008064), resigned from the office of Non-Executive & Independent Director with effect from March 18, 2022 due to other commitments and limitation of time. She has further confirmed in her resignation letter that there were no other material reasons other than those provided. Ms. Maria Rosaria Varsellona (DIN: 08892891), resigned from the office of Non-Executive & Non-independent Director of the Company effective from March 31, 2022 on account of resignation from ABB group and Mr. Morten Wierod (DIN: 08753868) resigned from the office of Chairman & Non-Executive Non-Independent Director with effect from May 5, 2022 on account of change in role within ABB group.

Ms. Carolina Granat (DIN: 09477744) was appointed as Non-Executive & Non-Independent Director with effect from April 1, 2022 and Mr. Adrian Guggisberg (DIN: 09590850) was appointed as Chairman & Non-Executive Non-Independent Director with effect from May 6, 2022. Mr. Sanjeev Sharma, Managing Director who was re-appointed as Managing Director with effect from January 1, 2022 will carry on his duties as Managing Director till December 31, 2026.

- (i) Composition / Category of Directors / Attendance at Meetings / Directorships and Committee Memberships in other companies as on December 31, 2022.

Name	Category ⁽¹⁾	Attendance		Directorship in other Indian Companies ⁽²⁾		Committee Membership / Chairmanship in Public Companies ⁽³⁾	
		No. of Board Meetings attended during the year (Total 4 Meetings)	Last AGM attendance	Member	Chairman	Member	Chairman
Mr. Adrian Guggisberg ⁽⁴⁾	NED	2	No	Nil	Nil	Nil	Nil
Mr. Sanjeev Sharma	MD	4	Yes	4	Nil	1	Nil
Mr. V K Viswanathan	NED (I)	4	Yes	6	Nil	2	2
Ms. Gopika Pant	NED (I)	4	Yes	5	Nil	2	1
Ms. Carolina Granat ⁽⁵⁾	NED	3	Yes	Nil	Nil	Nil	Nil
Ms. Monica Widhani ⁽⁶⁾	NED (I)	2	No	1	Nil	3	Nil

- (1) Category: NED: Non-executive Director, MD: Managing Director, NED (I): Non-executive Director and Independent.
- (2) Includes directorships in private limited companies and Section 8 (Not for profit) companies. None of the Directors of the Company holds independent directorships in more than 7 listed companies.
- (3) Includes only Audit Committee and Stakeholders Relationship Committee of public limited companies. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all listed companies in which they are Directors.
- (4) Appointed as Chairman with effect from May 6, 2022.
- (5) Appointed as Director with effect from April 1, 2022.
- (6) Appointed as Director with effect from May 6, 2022.

None of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the Listing Regulations) across all public companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

None of the Directors hold office in more than 10 public companies as prescribed under Section 165(1) of the Act. No Director holds Directorships in more than 7 listed companies. Further, none of the Non-Executive Directors serve as Independent Director in more than 7 listed companies as required under Regulation 17A of the Listing Regulations. The Managing Director does not serve as an Independent Director in any listed company.

None of the Directors hold any shares in the Company. During the year under review, the Company has not issued any convertible instruments.

(ii) Board Meetings:

During the financial year ended December 31, 2022, four Board meetings were held on the following dates: February 10, 2022, May 4, 2022, August 9, 2022, and November 11, 2022.

The gap between two Meetings did not exceed 120 days and the Meetings were conducted in compliance with all applicable laws. The necessary quorum was present for all the Board Meetings.

(iii) Independent Directors:

The Independent Directors, who are from diverse fields of expertise, have long standing experience and expert knowledge in their respective fields of professions, which are very relevant as well as of considerable value for the Company's business. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors of the Company have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149 of the Act

and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the Management. The terms and conditions of appointment of the Independent Directors are disclosed in the Company's website at www.abb.co.in

(iv) Independent Directors Meeting:

During the year under review, a separate Meeting of the Independent Directors of the Company was held on December 22, 2022 as required under Schedule IV of the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. The Meeting was attended by all the Independent Directors as on that date and Ms. Gopika Pant chaired the said Meeting.

(v) Further the Board periodically reviews the compliance reports submitted by the management in respect of all laws applicable to the Company.

(vi) Certificate of Non-Disqualification Of Directors pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations is enclosed to this Annual Report.

III Names of the listed entities where the person is a Director and the category of directorship.

Name of the Director	Names of the listed entities	Category of directorship
Mr. Adrian Guggisberg (Chairman)	ABB India Limited	Non-executive, Non-independent
Mr. Sanjeev Sharma (Managing Director)	ABB India Limited	Executive, Non-independent
Mr. V K Viswanathan	ABB India Limited	Independent
	Bharti Airtel Limited	Independent
	HDFC Life Insurance Company Limited	Independent
	KSB Limited	Independent
	United Spirits Limited	Independent
Ms. Carolina Granat	ABB India Limited	Non-executive, Non-independent
Ms. Gopika Pant	ABB India Limited	Independent
	Colgate - Palmolive (India) Limited	Independent
Ms. Monica Widhani	ABB India Limited	Independent
	Gujarat Pipavav Port Limited	Independent

IV Board's core skills / expertise / competencies:

For effective functioning of the Board, your Company's Board needs to have skills / expertise / competencies in the areas of Business, Finance & Accounting and Governance / Legal. Your Company's Board comprises of people from diverse fields and across Globe. Your Company's Directors are qualified and possess the appropriate knowledge, skills, experience, expertise, diversity and independence, covering Business, Finance & Accounting and Governance / Legal. In the table given below, various skills / expertise / competencies of Board of Directors are given:

Sl No.	Name of Directors	Areas of skills / expertise / competencies		
		Business & Leadership	Finance & Accounting	Governance/Legal
1.	Mr. Addrian Guggisberg (Chairman - w.e.f. 6.5.2022)	✓		✓
2.	Mr. Sanjeev Sharma	✓		✓
3.	Mr. V K Viswanathan	✓	✓	✓
4.	Ms. Gopika Pant	✓		✓
5.	Ms. Carolina Granat (w.e.f. 1.4.2022)	✓		✓
6.	Ms. Monica Widhani (w.e.f. 6.5.2022)	✓	✓	✓

Detailed profiles of the Directors are available on the Company's website at <https://new.abb.com/indian-subcontinent/investors/board-of-directors>.

V Familiarisation Programme for Independent Directors:

The Company has a well-defined induction and familiarization programme for orientation and training of Directors at the time of their joining to enable them to understand the businesses in which the Company operates, nature of industry, business model, ABB's core values & culture, macro-economic developments etc. The Program has been designed to enable Directors to understand the Company's purpose and help in contributing effectively to decision making at the Board / Committee meetings.

All Independent Directors are familiarized at regular intervals on various topics specifically relating to: (i) nature of the business (ii) business model (iii) operational overview (iv) business performance (v) market outlook / evolving trends (vi) key regulatory updates etc.

Whenever an Independent Director is newly inducted, a detailed induction and familiarization program is conducted explaining the nature of ABB business, structure of ABB group, the divisions and segments it operates in, market landscape, their roles & responsibilities vis-a-vis information relevant to the functioning of various committees of the Board, the policies etc. All our Independent Directors have attended such induction and familiarization program immediately on their appointment.

The key managerial personnel of the Company provides regular updates to all the Directors by making presentation(s) on key business developments, business & financial performance, new strategic initiatives, regulatory changes and other related matters during the Board meetings.

Pursuant to Regulation 46 of the Listing Regulations, details of familiarisation programmes imparted to the Independent Directors are available on the Company's website at https://new.abb.com/docs/librariesprovider19/default-document-library/familiarization-programme-to-id5792d2f2c1f463c09537ff0000433538.pdf?sfvrsn=6966b10a_2.

3. Audit Committee

(i) Terms of Reference

The Audit Committee acts on the terms of reference given by the Board pursuant to Section 177 of the Act and Regulation 18 of the Listing Regulations.

The terms of reference are briefly described below:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommending the Board, appointment, re-appointment, replacement or removal (in the event of necessity) of Statutory Auditors, Cost Auditors and / or any other auditors including fixation of remuneration;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of sub-section (5) of Section 134 of the Act;
 - b) changes, if any, in accounting policies and practices and reasons for the same;
 - c) major accounting entries involving estimates based on the exercise of judgment by management;
 - d) significant adjustments made in the financial statements arising out of audit findings;
 - e) compliance with listing and other legal requirements relating to financial statements;
 - f) disclosure of any related party transactions; and
 - g) qualifications in the draft audit report.
- Reviewing, with the management:
 - the quarterly financial statements before submission to the Board for approval;
 - performance of Auditors, Internal Auditors, adequacy of the internal control systems;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Review the adequacy of Internal Audit function including the structure of the internal audit department staffing and seniority of the head of the department, reporting structure coverage and frequency of internal audit;
- Approval or any subsequent modification of transactions of the Company with the related parties;
- Approval on appointment of Chief Financial Officer including the Wholetime Director-Finance or any other person heading the finance function or discharging that function after assessing the qualification, experience and background etc., of such incumbent;

- Reviewing the proposal for discontinuation / closure of any of the business operations of the Company;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters;
- Review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business and its valuation report and fairness opinion, if any, thereof;
- Evaluation of internal financial controls and risk management systems;
- Discussing with internal auditors any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review the functioning of the Whistle Blower mechanism.
- Carry out such other functions as may be delegated by the Board from time to time.
- Review various investment proposals before the same is submitted to the Board of Directors and also to review the guidelines for investing surplus funds of the Company;
- To appoint valuers for the valuation of the undertakings or assets of the Company, wherever it is necessary including stocks, shares, securities, goodwill or any other assets or net worth of a Company or liability of the Company under the provisions of the Act.

In addition to the above, the following items will be reviewed by the Audit Committee:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions, (as defined by the Audit Committee) submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Appointment, removal and terms of remuneration of the chief internal auditor.

The Audit Committee is vested with the necessary powers to achieve its objectives.

The Committee has discharged such other role / function as envisaged under Regulation 18 (3) read with Part C of Schedule II of the Listing Regulations and the provisions of Section 177 of the Act.

The Chairman of the Audit Committee was present at the last AGM (72nd Annual General Meeting held on May 5, 2022).

(ii) Composition, names of members & Chairperson, meetings held during the year and attendance at meetings.

The Audit Committee presently consists of four Non-executive Directors, out of which three are Independent Directors. The Committee has held four meetings during the Financial Year 2022 i.e., February 9, May 4, August 9 and November 11, 2022. The composition of the Audit Committee as on December 31, 2022 and the attendance of members at the meetings held during the Financial Year 2022 were as follows:

Members of the Committee	No. of meetings attended
Mr. V K Viswanathan (Independent Director) (Chairman)	4
Ms. Gopika Pant (Independent Director)	4
Ms. Monica Widhani (Independent Director) (w.e.f. 6.5.2022)	2
Mr. Adrian Guggisberg (w.e.f. 6.5.2022)	2

Mr. Trivikram Guda, Company Secretary is the Secretary to the Audit Committee.

The gap between two Audit Committee Meetings did not exceed 120 days. The necessary quorum was present at the above Meetings.

4. Nomination and Remuneration Committee

(i) Terms of Reference

The terms of reference and Role of the Nomination and Remuneration Committee are as per the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations which includes:

- a) Formulating criteria for determining qualifications, positive attributes and independence of a director.
- b) Identifying persons who are qualified to become Directors and who may be appointed in Senior Management and as KMP of the Company in accordance with the criteria laid down, recommend to the Board their appointment and removal.
- c) Recommending to the Board a policy, relating to the remuneration of the Directors, Senior Management, KMP and other employees, as may be applicable.
- d) Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director considering candidates from a wide range of backgrounds, having due regard to diversity and time commitments of the candidates.
- e) Formulating criteria for evaluation and manner of effective evaluation of Independent Directors, Board, its committees and every Director's performance.
- f) Determine whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors.
- g) Devising a policy on Board diversity.
- h) Ensuring that level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
- i) Recommend to the board, all remuneration, in whatever form, payable to senior management.
- j) Carrying out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.
- k) Performing such other functions as may be necessary or appropriate for the performance of its duties.

The Nomination and Remuneration policy is framed by the Nomination and Remuneration Committee and approved by the Board.

The Chairman of the Nomination and Remuneration Committee was present at the last AGM (72nd Annual General Meeting held on May 5, 2022).

(ii) Composition, name of members & Chairperson, meetings held during the year and attendance at meetings.

The Nomination and Remuneration Committee presently consists of three Non-executive Directors, two being independent. The Chairman is a Non-executive and Independent Director. The Committee has held four meetings during the Financial Year 2022 i.e., on February 9, May 4, August 9 and November 11, 2022. The composition of the Nomination and Remuneration Committee as on December 31, 2022 and the attendance of members at the meeting held during the Financial Year 2022 were as follows:

Members of the Committee	No. of meetings attended
Mr. V K Viswanathan (Chairman) (Independent Director)	4
Ms. Gopika Pant (Independent Director) (w.e.f. 31.3.2022)	3
Ms. Carolina Granat (w.e.f. 6.5.2022)	2

The necessary quorum was present at the above Meetings.

(iii) Remuneration Policy / Criteria for payments to Directors / Senior Management Employees

The Company has a credible and transparent policy in determining and accounting for the remuneration of the Executive/ Non-executive Independent Directors. Independent Directors' remuneration is governed by the external competitive environment, participation in the meetings and comparable industry standards. The remuneration determined for the Executive / Independent Directors is subject to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors.

The Non-executive Independent Directors are compensated by way commission and the criteria being their attendance in the Board / Committee Meetings.

The Non-executive, Non-independent Directors are neither paid sitting fee nor paid any commission.

The Independent Directors are entitled to sitting fees for attending the Board / Committee Meetings. Sitting fees for Board and Audit Committee Meetings is ₹50,000/-per Director per meeting and for other Committees, viz., Corporate Social Responsibility, Stakeholders Relationship, Nomination and Remuneration and Risk Management, the sitting fees is ₹25,000/- per Director per meeting.

The remuneration payable to the Managing Director and Senior Management personnel including KMP are structured as fixed and variable components. The fixed remuneration comprises salaries, perquisites and retirement benefits and the variable component comprises annual performance bonus which is linked to the achievement of the score card fixed at beginning of the year.

5. Details of remuneration to all the Directors paid during the Financial Year 2022

(₹ in Lakh)					
Name	Sitting fees	Salary & perquisites	Commission*	Stock option	Pension
Mr. Sanjeev Sharma**	Nil	741.28	NA	Nil	Nil
Ms. Renu Sud Karnad	1.75	Nil	31.50	Nil	Nil
Mr. V K Viswanathan	5.50	Nil	39.00	Nil	Nil
Mr Morten Wierod	Nil	Nil	NA	Nil	Nil
Ms. Maria Varsellona	Nil	Nil	NA	Nil	Nil
Ms. Gopika Pant	6.75	Nil	28.50	Nil	Nil
Ms. Carolina Granat	Nil	Nil	NA	Nil	Nil
Ms. Monica Widhani	3.00	Nil	Nil	Nil	Nil
Mr. Adrian Guggisberg	Nil	Nil	NA	Nil	Nil

* Commission for the financial year 2021 paid during the financial year 2022.

** In addition to the Salary / Perquisites mentioned above, as per Management Incentive Program (MIP) and Long Term Incentive Plan of ABB Group (which conditionally grants Options / Warrant appreciation rights / Equity shares of ABB Group Company to selected key employees), the Managing Director being one of the key employee is entitled to both programs.

Commission to Independent Directors:

- For Board Meetings: a fixed amount of ₹25 lakh per Independent Director based on 100% participation by way of attendance in the meetings.
- For Committee Meetings: a fixed amount of ₹3 lakh per Independent Director based on 100% participation by way of attendance in the meetings.
- For Chairman of the Audit Committee: a fixed amount of ₹8 lakh for 100% participation by way of attendance in the meetings.

The above commission payable to Independent Directors of the Company shall however not exceed in the aggregate 1% per annum of the net profits of the Company computed in the manner laid down in the Act. The Board authorizes the Chairman to determine the amount payable to the eligible Independent Director.

Fixed Component / Performance Linked Incentive / Criteria

Performance related Bonus is payable to the Managing Director only as per the terms of Contract entered into between the Company and the Managing Director.

Service Contract / Notice Period / Severance Fees

- The Contract of Service entered by the Company with Mr. Sanjeev Sharma, Managing Director, provides that the Company and the Managing Director shall be entitled to terminate the agreement by giving six months' notice in writing on either side.
- No severance fee is payable by the Company to the Managing Director on termination of the agreement/s.

Stock Option

The Company does not have stock option scheme therefore the same is not applicable.

None of the Non-executive Directors has any pecuniary relationship or transactions with the Company.

6. Stakeholders Relationship Committee

The said Committee has been authorized to approve the transfer / transmission / transposition of shares and issue of duplicate share certificates and to consider all other matters of shareholder interest.

In order to expedite the process, the Board of Directors has also delegated the authority severally to the Managing Director and the Company Secretary to approve the share transfers / transmissions and accordingly, the Managing Director or the Company Secretary approves the transfer / transmission of shares as and when required from time to time.

Four meetings of Committee were held during the Financial Year 2022 i.e., on February 9, May 4, August 9 and November 11, 2022.

The Stakeholders Relationship Committee presently consists of three and one being executive director, two being independent. The Committee is chaired by Ms. Gopika Pant– Independent Director. Mr. Trivikram Guda, Company Secretary is the Secretary to the Committee.

The composition of Stakeholders Relationship Committee as of December 31, 2022 and attendance of members at the meetings held during the Financial Year 2022 were as follows:

Members of the Committee	No. of meetings attended
Ms. Gopika Pant (Chairperson) (Independent Director)	4
Ms Monica Widhani (Independent Director)(w.e.f. 6.5.2022)	2
Mr. Sanjeev Sharma	4

The necessary quorum was present at the above Meetings.

Except certain cases pending in Courts / Consumer Forums relating to disputes over the title of shares, in which the Company has been made a party, all the investor grievances / correspondences have been promptly attended to from the date of their receipt. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Name, Designation and Address of Compliance Officer

Trivikram Guda
Company Secretary and Compliance Officer

ABB India Limited
Disha - 3rd Floor
Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya
Bengaluru - 560 058, Karnataka.

E-mail: investor.helpdesk@in.abb.com
Phone: +91 80 2294 9113

The details of investors' complaints received and resolved during the Financial Year 2022 are as under:

No. of investors' complaints received during 2022	No. of investors' complaints resolved during 2022	Investors' complaints pending at the end of 2022
325	325	NIL

7. Risk Management

The Company has in place a mechanism to inform Board Members about the risk assessment and minimization procedures and review to ensure that executive management controls risk by means of a properly defined frame work. The Company has formulated a Policy on Risk Management and constituted a Risk Management Committee.

Two meetings of Committee were held during the Financial Year 2022 i.e., on June 7 and November 28, 2022.

The Committee is chaired by Mr. V K Viswanathan - Independent Director. Mr. Trivikram Guda, Company Secretary is the Secretary to the Risk Management Committee.

The composition of Risk Management Committee as at December 31, 2022 and attendance of members at the meetings held during the Financial Year 2022 is provided as follows:

Members of the Committee	No. of meetings attended
Mr. V K Viswanathan (Independent Director) (Chairman)	2
Mr. Sanjeev Sharma	2
Mr. T.K. Sridhar	2

The gap between two Risk Management Committee Meetings did not exceed 180 days. The necessary quorum was present for both the Meetings.

8. Corporate Social Responsibility Committee

Pursuant to Section 135 of the Act, a Corporate Social Responsibility (CSR) Committee of the Board has been constituted.

Four meetings of Committee were held during the Financial Year 2022 i.e., on February 9, May 4, August 9 and November 11, 2022.

The Committee is chaired by Ms. Monica Widhani – Independent Director. The composition of Committee as at December 31, 2022 and attendance of members at the meetings held during the Financial Year 2022 were as follows:

Members of the Committee	No. of meetings attended
Mrs. Monica Widhani (Chairperson) (Independent Director) (w.e.f. 6.5.2022)	2
Mr. Sanjeev Sharma	4
Ms. Gopika Pant (Independent Director)	4
Ms. Carolina Granat (w.e.f. 1.4.2022)	3

The necessary quorum was present at the above Meetings.

The Company has formulated a Policy for its CSR and also identified the following key areas for undertaking CSR activities:

- Education and skills enhancement: To provide facilities and assist promotion of primary education among children and impart skills training to the youth;
- Healthcare: To support and augment on-going national initiatives in health, hygiene and healthcare systems;
- Environment and local safeguard: To undertake greening and environmental initiatives in the community;
- Differently-abled: To catalyze skills training and employment opportunities for the differently abled;
- Access to electricity: Collaborating to provide innovative off-grid solutions to improve access to electricity in the country.

The Company's CSR policy may be viewed on the Company's website at www.abb.co.in

The Annual Report on CSR activities for Financial Year 2022 forms part of the Board's Report, as an Annexure.

9. Subsidiary Company

The Company did not have material subsidiary in the financial year 2022. Hence, the Company has not formulated any specific policy on dealing with material subsidiaries.

10. Managing Director (MD) and Chief Financial Officer (CFO) certification

As required under Regulation 17 read with Part B of Schedule II of the Listing Regulations, the MD and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Sanjeev Sharma, Managing Director and Mr. T. K. Sridhar, Chief Financial Officer. The said certificate is part of the Annual Report.

11. General Body Meetings

(i) Location and time where last three Annual General Meetings (AGMs) held

For the Year	Venue	Day & Date	Time
2021	Held through Video Conferencing / Other Audio Visual Means	Thursday, May 5, 2022	11.00 a.m. (IST)
2020	Held through Video Conferencing / Other Audio Visual Means	Wednesday, April 28, 2021	11.00 a.m. (IST)
2019	Held through Video Conferencing / Other Audio Visual Means	Friday, July 24, 2020	11.00 a.m. (IST)

(ii) Special Resolution passed in the previous three Annual General Meetings.

The following Special Resolutions were passed at the 72nd Annual General Meeting held on May 5, 2022.

- Commission to Independent Directors of the Company

No Special Resolution was passed at the 71st Annual General Meeting held on April 28, 2021.

The following Special Resolutions were passed at the 70th Annual General Meeting held on July 24, 2020.

- Re-appointment of Mrs. Renu Sud Karnad as a non-executive independent director.
- Re-appointment of Mr. Darius E. Udawadia as a non-executive independent director.

(iii) Postal Ballot

In compliance with Sections 108, 110 and other applicable provisions of the Act, read with the Rules issued thereunder, the Company provided electronic voting (e-voting) facility to all its Shareholders. The Company engaged the services of KFin Technologies Limited ("Kfin") for the purpose of providing e-voting facility to all its members. The Shareholders had an option to vote either through e-voting. The postal ballot notice was sent to Shareholders in electronic form to the email addresses registered with the depository participants/Company's Registrar & Share Transfer Agents. The Company also published a notice in the newspapers declaring the details of completion of dispatch and other requirements under the Secretarial Standards issued by the Institute of Company Secretaries of India, the Act, and the Rules issued thereunder. Voting rights were reckoned on the paid up value of shares of the Company registered in the names of the Shareholders as on the cut-off date. Members desiring to exercise their votes by electronic mode were requested to vote before the close of business hours on the last date of e-voting. The Scrutinizer submitted his report, after the completion of scrutiny and the consolidated results of the voting by postal ballot was then announced by the Company. The results were displayed on the website of the Company at www.abb.com/in, besides being communicated to the Stock Exchanges.

During Financial Year 2022, the Company has passed following special resolution(s) through the Postal Ballot.

Special resolutions passed by way of Postal Ballot by remote e-voting process on June 23, 2022

- Appointment of Ms. Monica Widhani (DIN: 07674403) as an Independent Director of the Company to hold office for a term of three (3) consecutive years with effect from May 6, 2022

Special resolutions passed by way of Postal Ballot by remote e-voting process on September 28, 2022

- Re-appointment of Mr. V K Viswanathan (DIN: 01782934) as Non-Executive and Independent Director of the Company to hold office for a term of two (2) consecutive years with effect from November 12, 2022

Approval, if any required through, Postal Ballot during the Financial Year 2023 will be conducted in accordance with applicable law.

12. Disclosures

(i) Disclosures on materially significant related party transactions.

There was no materially significant related party transaction during the year having potential conflict with the interests of the Company. Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in the notes to accounts annexed to the financial statements. Further the Company has not entered into any transaction of a material nature with the Promoters, subsidiaries of Promoters, Directors or their relatives etc. that may have potential conflict with the interests of the Company.

All the transactions with related parties were in the ordinary course of business and on arm's length basis, except transactions, which are disclosed in the Directors' Report. In terms of Regulation 23 of Listing Regulations the Company obtains prior approval of the Audit Committee for entering into any transaction with related parties. The Audit Committee granted omnibus approval for certain transactions to be entered into with the related parties, during the year.

Policy on materiality of and dealing with Related Party Transactions can be viewed in the Company's website. Link for the same is <https://new.abb.com/docs/librariesprovider19/default-document-library/related-party-transaction-policy.pdf?sfvrsn=2>

(ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities, on any matter related to capital markets during the last three years.

During last three years, neither any penalty nor any stricture has been passed by SEBI, Stock Exchanges or any other Statutory Authority on matters relating to capital markets.

(iii) Whistle Blower Policy and affirmation that no personnel have been denied access to the Audit Committee.

The Company has adopted Whistle Blower Policy where it has a mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Code of Conduct / Business Ethics. No personnel have been denied access to the Chairman of the Audit Committee, for making complaint on any Integrity issue.

(iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations.

During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations.

The Company has adopted C, D & E of the Non-mandatory requirements as provided in Part E of Schedule II to the Listing Regulations and not adopted A & B since they are discretionary requirements.

13. Means of Communication

Quarterly Financial Results / Official News Releases

The quarterly/half-yearly/annual financial results are published in Business Standard/Financial Express/Business Line (English Daily) and Vijaya Karnataka (Kannada Daily).

The financial results and the official news releases are also placed on the Company's website at www.abb.co.in. The Company has a dedicated help desk with e-mail ID: investor.helpdesk@in.abb.com in the Secretarial Department for providing necessary information to the investors.

In addition to the above, after announcement of results, the Company holds conference call with financial analysts. The transcript of the said concall is uploaded on the Company's website at www.abb.co.in

14. General Shareholder Information

(i) Annual General Meeting Day, Date, Time and Venue:

The Company will be holding its 73rd Annual General Meeting on Thursday, May 04, 2023 at 11.00 A.M. (IST) at “Aura”, Taj Yeshwantpur, 2275, Tumkur Road, Yeshwantpur, Bengaluru, 560 022.

Agenda:

- Item No. 1 - Consideration and Adoption of Audited Financial Statements of the Company for the Financial Year ended December 31, 2022 and Reports of the Board of Directors and the Auditors thereon.
- Item No. 2 - Declaration of Dividend
- Item No. 3 - Re-appointment of Ms. Carolina Yvonne Granat as a Director liable to retire by rotation
- Item No. 4 - Approval of remuneration to Cost Auditor of the Company for Financial Year ending December 31, 2023

(ii) Profile of Director seeking appointment/re-appointment

The profile of Director/s retiring by rotation and seeking appointment/re-appointment at the 73rd Annual General Meeting are given in the Annexure to the Notice convening the said Annual General Meeting.

Directors are not related to any other Director on the Board of the Company and Promoters of the Company.

(iii) Financial Year

Company’s financial year is January – December. The indicative calendar of events for the year 2023 (January - December) excluding Extraordinary General Meeting(s), if any, are as under:

Fourth Quarter Financial Results (Year 2022)	February 2023
First Quarter Financial Results	May 2023
Annual General Meeting	May 2023
Second Quarter Financial Results	August 2023
Third Quarter Financial Results	November 2023

In terms of the circular issued by Ministry of Corporate Affairs, as a Green Initiative and subsequent amendment to the Listing Regulations, soft copy of the Notice and the Annual Report for the financial year 2022 have been circulated to the respective e-mail IDs registered and available in Company’s records.

(iv) Date of Book Closure

The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, April 28, 2023 to Thursday, May 4, 2023 (both days inclusive) for the purpose of Dividend and AGM.

(v) Dividend Payment Date

The dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid after May 4, 2023, to those Members whose names appear on the Company’s Register of Members as on April 27, 2023 being the Record Date for determining the shareholders who are entitled to receive Dividend.

(vi) Listing on Stock Exchanges

The equity shares of the Company are currently listed with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Company has paid till date, the requisite listing fee to both the stock exchanges.

Pursuant to the Regulation 39 (4) read with Schedule VI of the Listing Regulations, the Company's Registrar & Share Transfer Agents have already sent three reminders to those shareholders whose share certificates were returned undelivered and remain unclaimed so far. Further, as required, the Company has transferred the said unclaimed shares to one folio in the name of "ABB India Limited-Unclaimed Suspense Account", and the voting rights thereon have been frozen till the shares are claimed by the rightful owners. Details are given below:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year.	6 shareholders and 3,996 equity shares
Number of shareholders who approached issuer for transfer of shares from suspense account during the year.	Nil
Number of shareholders to whom shares were transferred from suspense account during the year.	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year.	6 shareholders and 3,996 equity shares

(vii) Stock Code Equity Shares:

BSE : 500002

NSE : ABB

ISIN : INE117A01022

(viii) Market Price Data

The market price data of the Company's shares traded in the BSE Limited and the National Stock Exchange of India Limited, during the year 2022 were as follows:

Year 2022	ABB - BSE (₹)		BSE Sensex		ABB - NSE (₹)		NSE Nifty	
	High	Low	High	Low	High	Low	High	Low
January	2,470	2,138	61,475	56,410	2,468	2,136	18,595	17,030
February	2,378	1,980	59,619	54,383	2,377	2,000	18,012	6,384
March	2,238	1,945	58,891	52,261	2,239	1,945	17,753	15,901
April	2,262	2,025	60,845	56,009	2,265	2,038	18,328	17,200
May	2,467	2,001	57,184	52,632	2,468	2,000	17,484	15,941
June	2,488	2,121	56,433	50,921	2,488	2,120	16,954	15,336
July	2,834	2,261	57,619	52,094	2,835	2,260	17,414	15,679
August	3,273	2,644	60,411	57,367	3,273	2,642	18,305	17,396
September	3,446	2,968	60,676	56,147	3,446	2,966	18,505	17,081
October	3,328	2,945	60,787	56,683	3,335	2,945	18,257	17,137
November	3,289	2,979	63,303	60,425	3,292	2,979	18,981	18,198
December	3,036	2,640	63,583	59,754	3,036	2,640	19,039	17,834

Performance in comparison to broad-based indices viz., BSE Sensex and NSE Nifty

ABB Share Price movement v/s BSE Sensex
January - December 2022

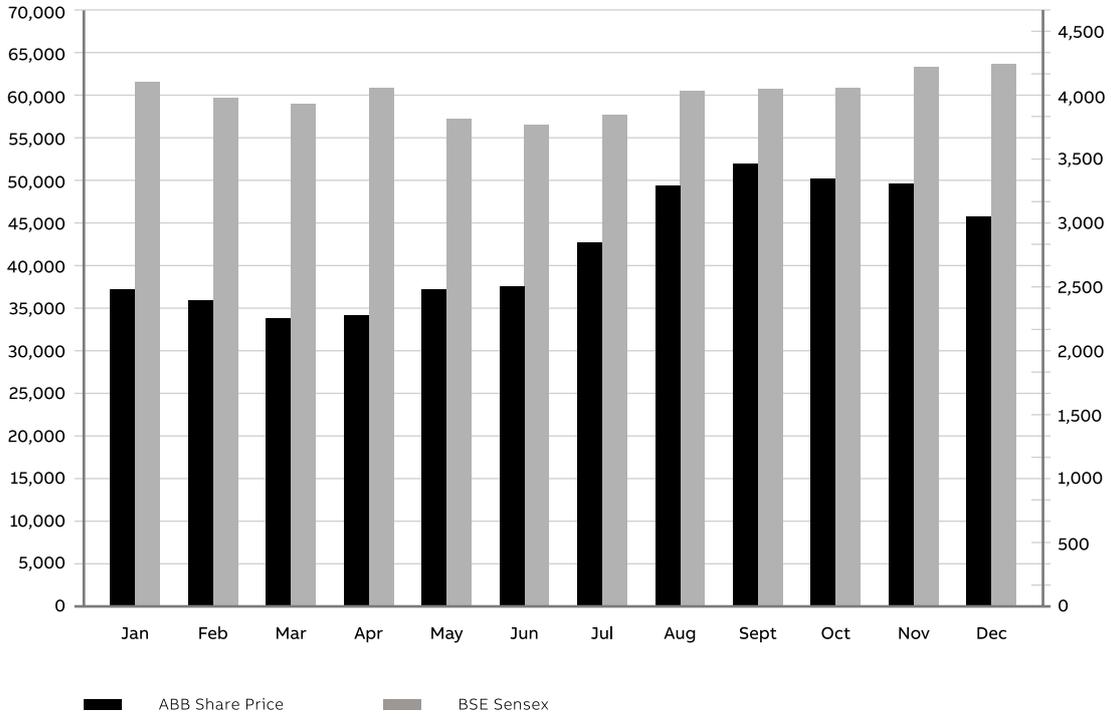
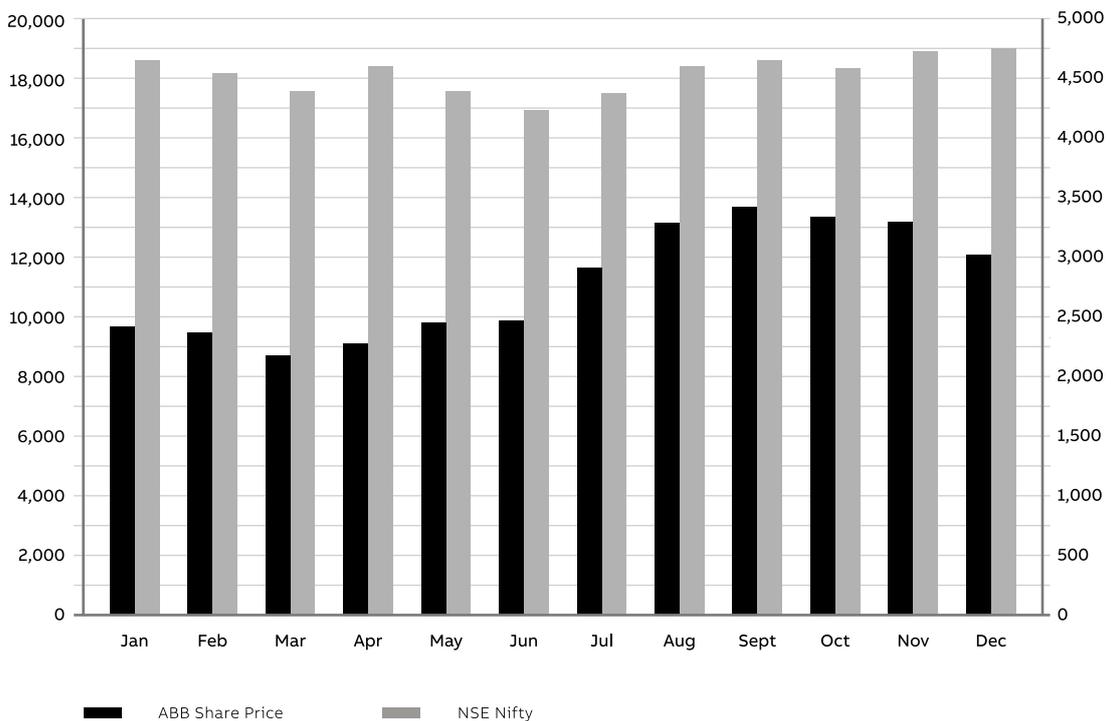


ABB Share Price movement v/s NSE Nifty
January - December 2022



(ix) Registrar and Share Transfer Agents

KFin Technologies Limited
Selenium Tower B, Plot Nos. 31 & 32 | Financial District
Nanakramguda | Serilingampally Mandal | Hyderabad - 500032 | Telangana Tel : +91 40 67161653
Fax No. +91 40 23420814
E-mail: einward.ris@kfintech.com Website: www.kfintech.com

(x) Share Transfer System

The Company's shares being in compulsory demat list, are transferable through the depository system. In terms of the Listing Regulations transfer of shares in the physical form is not permitted beyond April 1, 2019. The transmission or transposition of shares are being processed by the Registrar and Share Transfer Agents, and approved by the Stakeholders Relationship Committee. In order to expedite the process, the Board of Directors has also delegated the authority severally to the Managing Director (MD) and the Company Secretary to approve transmission or transposition of shares and accordingly, the MD or the Company Secretary approve the transmission/ transposition of shares generally on a weekly basis. This process is reviewed by the Committee.

(xi) Shareholding**Pattern**

Shareholders	As on 31.12.2021		As on 31.12.2022	
	No. of shares	%	No. of shares	%
ABB Asea Brown Boveri Ltd, Zurich	15,89,31,281	75.00	15,89,31,281	75.00
Mutual Funds	1,67,53,798	7.91	1,42,54,854	6.73
Financial Institutions/Banks	7,60,110	0.36	2,75,230	0.13
Foreign Institutional Investors	79,73,390	3.76	1,59,91,071	7.55
Trusts	12,357	0.01	5,864	0.00
Resident Individuals	1,43,47,435	6.77	1,43,30,676	6.76
Non Resident Indians	2,32,761	0.11	1,77,429	0.08
Clearing Members	1,50,161	0.07	49,547	0.02
Qualified Institutional Buyer	1,12,28,407	5.30	60,94,679	2.88
Non Resident Indian - Non Repatriable	3,85,162	0.18	4,34,297	0.20
Bodies Corporates	6,06,650	0.29	8,43,714	0.40
Directors and their Relatives	0	0.00	0	0.00
I E P F	5,22,881	0.25	5,15,751	0.24
Foreign Nationals	3,982	0.00	3,982	0.00
Total:	21,19,08,375	100	21,19,08,375	100

(xii) Distribution of Shareholding as on December 31, 2022

Category	No. of Shareholders	No. of Shares held	% of equity capital
1 – 5000	97,114	1,29,65,771	6.12
5001 – 10000	318	22,20,983	1.05
10001 – 50000	211	46,02,044	2.17
50001 – 100000	38	26,30,784	1.24
100001 and above	76	18,94,88,793	89.42
Total	97,757	21,19,08,375	100

Top 10 Shareholders (other than Promoters) as on December 31, 2022

Sl No.	Name of Shareholder	Total shares	% To total equity capital	Category
1	Canara Robeco Mutual Fund A/C Canara Robeco Emerging Equities	1,821,105	0.86	MUT
2	Axis Mutual Fund Trustee Limited A/C Axis Mutual F	1,559,200	0.74	MUT
3	Kotak Tax Saver Scheme	1,431,740	0.68	MUT
4	Motilal Oswal Nifty 200 Momentum 30 ETF	1,409,994	0.67	MUT
5	SBI Arbitrage Opportunities Fund	1,064,857	0.50	MUT
6	HDFC Life Insurance Company Limited	972,417	0.46	QIB
7	LICI Profit Plus Balanced Fund	916,534	0.43	QIB
8	Nippon Life India Trustee Ltd-A/C Nippon India ARB	824,490	0.39	MUT
9	NPS Trust - A/C Max Life Pension Fund Management L	798,325	0.38	QIP
10	Vanguard Emerging Markets Stock Index Fund, A Seri	745,283	0.35	FPC

(xiii) Dematerialisation of shares and liquidity

The equity shares of the Company are available under dematerialised form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company's equity shares are compulsorily traded in the dematerialised form.

As on December 31, 2022, out of 21,19,08,375 equity shares of the Company, 21,05,46,908 equity shares have been dematerialised representing 99.36%.

Your Company confirms that the promoters' holdings were converted into electronic form and the same is in line with the circulars issued by SEBI.

Shareholders who are still holding shares in physical form are requested to dematerialize their shares at the earliest, this will be more advantageous to deal in securities. For queries / clarification / assistance, shareholders are advised to approach the Company's Registrar and Share Transfer Agents.

(xiv) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity.

As on date, the Company has not issued GDRs, ADRs or any other Convertible Instruments and as such, there is no impact on the equity share capital of the Company.

(xv) Code of Conduct

As required under Listing Regulations, the Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as on December 31, 2022.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code) duly approved by the Board of Directors of the Company.

As per the above Code, Mr. Trivikram Guda is the Compliance Officer and Mr. T.K. Sridhar is the Chief Investor Relations Officer.

(xvi) Company affirms that all the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.**(xvii) Plant Locations**

The Company's plants are located at Peenya and Nelamangala in Bengaluru, Maneja in Vadodara, Faridabad and Nashik.

(xviii) Commodity Price Risk / Foreign Exchange Risk and Hedging activities.

The Company is exposed to foreign exchange risk on account of import and export transactions entered and it is exposed to commodity price risk on account of procurement of base metals (Copper and Aluminium) and precious metals (Silver) to be used in manufacturing activities. Details of commodities exposure as on December 31, 2022 are provided below:

a) Total Exposure of the Company to commodities in ₹: 5,114,707,512

b) Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Copper	4,016,395,822	5799 MT			102%		102%
Silver	402,902,460	235300 Ounce			104%		104%
Aluminum	83,924,270	395 MT			0%		0%
Steel	611,484,960	11199 MT			0%		0%
2022 Average USD/INR		78.661					
2022 Average Copper/MT		8804.89					
2022 Average Silver/Ounce		21.768					
2022 Average Aluminum/MT		2701.04					
2022 Average Steel/MT (LME Steel Rebar)		694.14					

c) Commodity risks faced by the Company during the year and how they have been managed.

The Company is a sizable user of various commodities, including base metals & others, which exposes it to the price risk on account of procurement of commodities. The Company is proactively mitigating these risks by entering into commensurate hedging transactions with banks as per applicable guidelines and group risk management instructions.

- (xix) The Company has made payment of ₹ 0.22 Crores during the year for services, other than towards audit fees, to the statutory auditors and to network firms/network entities of which the statutory auditor is a part. These services are Certification confirming foreign currency hedges and other matters.
- (xx) The Board has accepted all recommendations made during the year by its various Committees.
- (xxi) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- | | | |
|--|---|-----|
| (a) Number of complaints filed during the financial year | - | 3 |
| (b) Number of complaints disposed of during the financial year | - | 3 |
| (c) Number of complaints pending as on end of the financial year | - | Nil |

(xxii) Credit ratings

The Company does not have any debt instrument, fixed deposit programme or any scheme or proposal for mobilization of funds. Hence, during the Financial Year 2022, it had not obtained any credit rating for this purpose.

(xxiii) Address for correspondence

ABB India Limited
Disha – 3rd Floor, Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV
Peenya, Bengaluru - 560 058, Karnataka, India Tel : +91 80 22949150 - 9153
Fax No: +91 80 22949148
Corporate Secretarial E-mail ID: investor.helpdesk@in.abb.com Website: www.abb.co.in

(xxiv) Corporate Identity Number

The Corporate Identity Number (CIN), of the Company is L32202KA1949PLC032923.

(xxv) Compliance Officer

Mr. Trivikram Guda, Company Secretary (ACS 17685) is the Compliance Officer of the Company and Secretary to all Committees of the Board.

15. Discretionary requirements

- The Company does not maintain a separate office for the Non-executive Chairman.
- The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders. Further the financial results are available on the website of the Company at <https://new.abb.com/indian-subcontinent/investors/financial-results-and-presentations/quarterly-results-and-annual-reports-2022> and of Stock Exchanges where the shares of the Company are listed i.e., BSE Limited and National Stock Exchange of India Limited.
- The Auditors' opinion on the Financial Statements is unmodified.
- Internal Auditor reports directly to the Audit Committee.
- The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of Listing Regulation.
- The Company has not given any loans or advances to firms/companies in which Directors are interested during the financial year ended December 31, 2022.

For ABB India Limited

Adrian Guggisberg
Chairman
DIN: 09590850

Place : New Delhi
Date : February 10, 2023

Declaration by the Managing Director under Listing Regulations regarding compliance with Business Conduct Guidelines (Code of Conduct).

In accordance with the Listing Regulations, I hereby confirm that all the Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the Financial Year ended December 31, 2022.

For ABB India Limited

Sanjeev Sharma
Managing Director
DIN: 07362344

Place: New Delhi
Date: February 10, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of ABB India Limited,
CIN: L32202KA1949PLC032923
Disha - 3rd Floor, Plot No. 5 & 6, 2nd Stage,
Peenya Industrial Area IV, Peenya,
Bengaluru - 560 058, Karnataka.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ABB India Limited, having CIN:L32202KA1949PLC032923 (“the Company”) and having Registered Office at Disha - 3rd Floor, Plot No. 5 & 6, 2nd Stage, Peenya Industrial Area IV, Peenya, Bengaluru - 560058, Karnataka (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company and its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on December 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN (Director Identification Number)	Date of appointment in Company
1	Mr. Sanjeev Sharma	07362344	01/01/2016
2	Mr. Adrian Guggisberg (Chairman)	09590850	06/05/2022
3	Ms. Gopika Pant	00388675	27/04/2021
4	Mr. V K Viswanathan	01782934	13/11/2019
5	Ms. Monica Widhani	07674403	06/05/2022
6	Ms. Carolina Yvonne Granat	09477744	01/04/2022

My responsibility is to express an opinion on these based on my verification. Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Bengaluru
Date : February 24, 2023

Sd/-
K Jayachandran
Company Secretary
ACS No.11309/CP.No.4031
UDIN: A011309D003198042

Annexure - I to Boards' Report

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Corporate Identity No : L32202KA1949PLC032923

Nominal Capital : Rs. 50 Crores

To

The Members of ABB India Limited,

We have examined all the relevant records of ABB India Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended December 31, 2022. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In our opinion and to the best of our information and according to the explanation and information furnished to us, we certify that the Company has complied with all the mandatory conditions of Corporate Governance as stipulated in the said Regulations during the period under review.

As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the company has complied with items C, D and E.

For **V. Sreedharan & Associates**

Company Secretaries

(Pradeep B. Kulkarni)

Partner

F.C.S.7260; C.P.No.7835

Address: No.291, 1st Floor, 10th Main Road,
3rd Block Jayanagar, Bengaluru - 560011

Place: Bengaluru

Date: February 10, 2023

UDIN: F007260D003138608

Peer Review certificate No. 589/2019

Annexure - J to Boards' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

Corporate Social Responsibility Policy of ABB India Limited

ABB as a responsible Corporate entity strives to reach out to wider community to ensure wellbeing of needy as a part of its Corporate Social Responsibility ('CSR'). ABB in India has always believed in and contributed to the society. Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth and is internalized as integral part of the Company's Strategy.

Objective of the Policy:

"ABB India views CSR as a channel to further its cause for a better world by writing the future together with its multiple stakeholders." The Company is committed to sustainable and inclusive development of the community's social capital through active engagement. The Company's CSR programs are aimed to contribute, catalyze and augment Governmental efforts in the social development agenda, predominantly in areas where it operates.

Company's CSR focus areas:

1. Education (ABB Value 'Curiosity')
2. Diversity and Inclusion in fabric of society (ABB Value 'Courage')
3. Communities and environment (ABB Value 'Care')

2. Composition of CSR committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Monica Widhani	Chairperson of the Committee	4	2
2	Ms. Carolina Granat	Member	4	3
3	Mr. Sanjeev Sharma	Member	4	4
4	Ms. Gopika Pant	Member	4	4

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://new.abb.com/indian-subcontinent/investors/documents-policies>

4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable.

Sl. No.	Name the program	Implementation Agency	Impact Assessment carried out (Yes/No)
1	Operation of mobile healthcare units for communities in Peenya, Nelamangala, Nashik and Faridabad	HelpAge India	Yes
2	Infrastructure up-gradation and supply of critical medical items to Taluk Govt. Hospital, Nelamangala	Vendor	Yes
3	Supporting with procurement of critical medical equipment for diagnosis and cancer treatment	Sri Shankara Cancer Foundation	Yes
4	Special education and mentoring to Govt school children across 98 Govt. schools in Nelamangala	Sivasri Charitable Trust	Yes
5	Special school to mainstream ~200 children with disability	The Association of People with Disability	Yes
6	Women engineering scholarship program for meritorious and deserving 50 selected women at Bangalore location for a 4-year program (2021-2025)	Lila Poonawalla Foundation	Yes
7	Supporting differently abled women	Gharkul Parivar Sanstha	Yes
8	Improving road safety, security cleanliness, hygiene aspects Peenya industrial area	Vendor	Yes

5. a) Average net profit of the company as per sub-section (5) of section 135: ₹ 4,93,83,83,329
b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ 9,87,67,667
c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.: Nil
d) Amount required to be set-off for the financial year, if any.: Nil
e) Total CSR obligation for the financial year [(b)+(c)-(d)].: ₹ 9,87,67,667
6. a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 5,77,65,939
b) Amount spent in Administrative Overheads: Nil
c) Amount spent on Impact Assessment, if applicable: ₹ 10,92,600
d) Total amount spent for the Financial Year (a+b+c+d): ₹ 5,88,58,539
e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount unspent (in ₹)				
	Total Amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section (135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of transfer
5,88,58,539	3,99,11,461	January 30, 2023			

- f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per section 135(5)	9,87,67,667
(ii)	Total amount spent for the Financial Year	5,88,58,539
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount spent in the reporting Financial Year (₹ in Crs)	Amount transferred to a fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1	FY-19	0	0	12.45	0		0	
2	FY-20	0	0	12.77	0		0	
3	FY-21	0	0	10.09	0		0	
	Total	0	0		0		0	

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if Applicable	Name	Registered Address
1	Infrastructure upgradation of various road components at Lake road, Peenya Industrial area	560058	November 2022	1,88,20,306	NA Direct implementation at public road with relevant Municipal authorities approval	Bruhat Bangalore Mahanagara Palike (BBMP)	Bruhat Bangalore Mahanagara Palike (BBMP), N.R Square, Bengaluru, Karnataka 560002, India and Commissioner of Police Office of Traffic Head Quarters Police department in Bengaluru, Karnataka #5, Infantry Rd, Tasker Town, Vasanth Nagar, Bengaluru, Karnataka 560001
2	Infrastructure upgradation of select road, Nashik	422007	November 2022	9,00,000	NA Direct implementation at public road with relevant Municipal authorities approval	Nashik Municipal Corporation	Nashik Municipal Corporation Rajiv Gandhi Bhavan, Sharanpur Road Nashik

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation / Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5):

During the year under review, your company was required to spend ₹ 9,87,67,666.59 out of which your Company spent ₹ 5,88,58,539/- and an amount of ₹ 3,99,11,461/- remained unutilised due to implementation delays, such as delay in getting requisite approvals from local authorities, overlap of the projects between two calendar years etc., The Company has transferred the unutilised amount(s) to a specified account in accordance with the Act and the same will be utilized within the prescribed time limits.

Sanjeev Sharma
Managing Director

Monica Widhani
Chairperson, CSR Committee

Date: February 10, 2023
Place: New Delhi

MD / CFO Certificate

To
The Board of Directors
ABB India Limited

We certify that;

- A. We have reviewed financial statements and the cash flow statement of ABB India Limited for the year ended December 31, 2022 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the code of conduct of the Company.
- C. We accept responsibility for establishing and maintaining internal controls over financial reporting and that we have evaluated the effectiveness of internal control systems of the Company over financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls over financial reporting, if any, of which we are aware and the steps we have taken, propose to take, to rectify these deficiencies. In our opinion, there are adequate internal controls over financial reporting;
- D. We have indicated to the Auditors and the Audit Committee that there are:
1. no significant changes in internal control over financial reporting during the year;
 2. no significant changes in the accounting policies except as disclosed in the financial statements; and
 3. no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.
- E. We affirm that we have not denied any personnel access to the Audit Committee of the Company and we have provided protection to whistle blowers from unfair termination and other unfair or prejudicial employment practices.

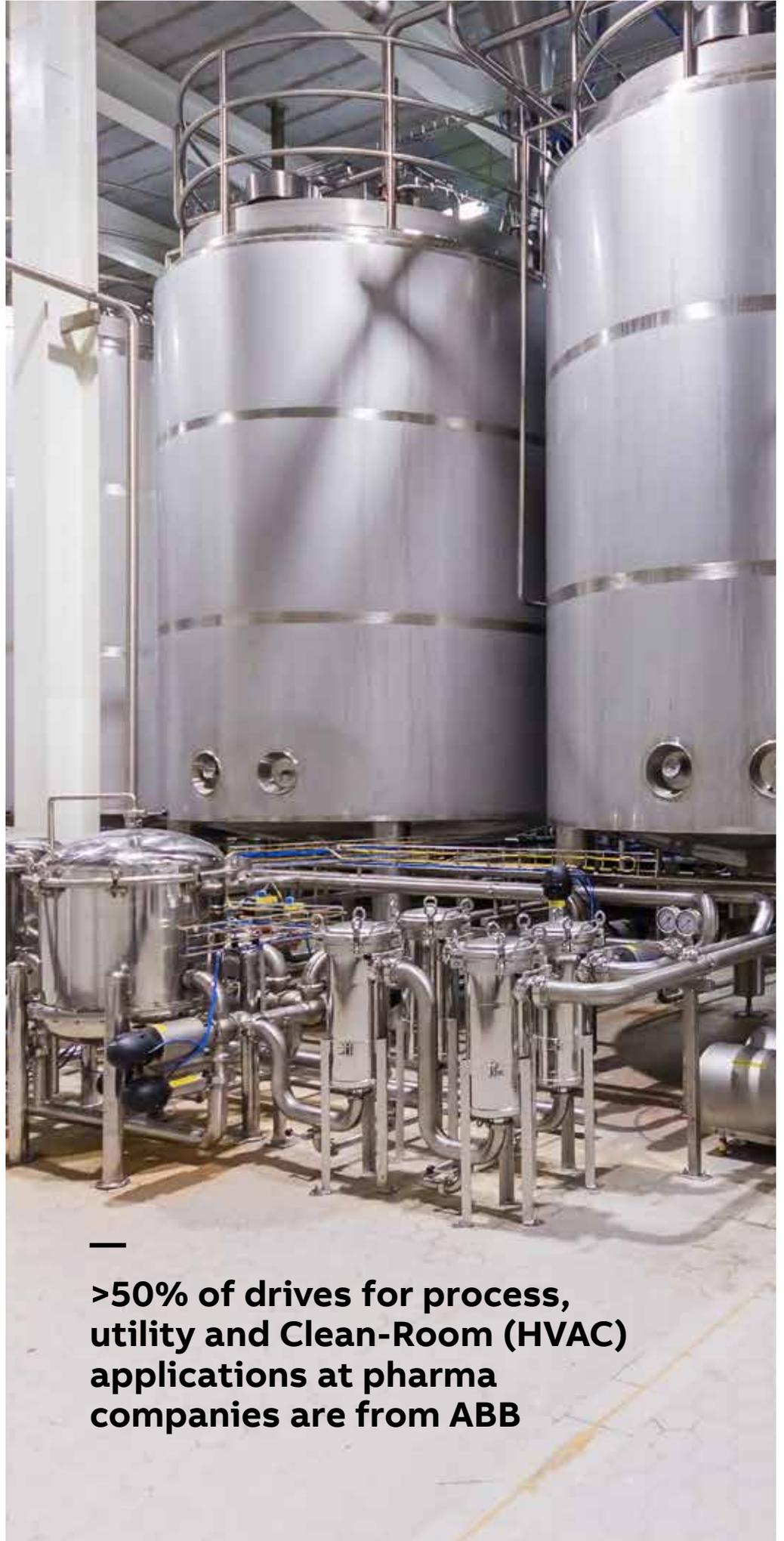
We further declare that all Board members and senior management personnel have affirmed compliance with the Code of Conduct and Ethics for the year covered by this report.

Sanjeev Sharma
Managing Director
DIN: 07362344

T.K. Sridhar
Chief Financial Officer

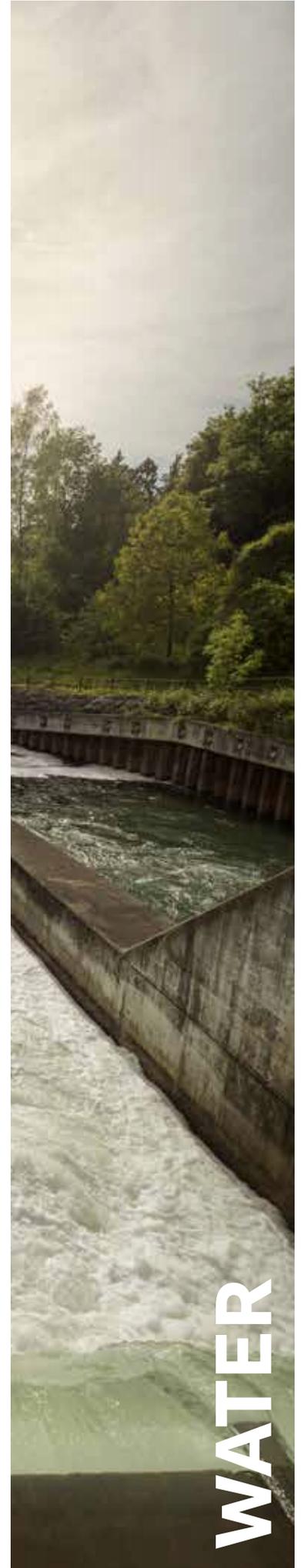
Place: New Delhi
Date: February 10, 2023

PHARMACEUTICALS



—
>50% of drives for process, utility and Clean-Room (HVAC) applications at pharma companies are from ABB

—
**~15 cities in India deploy
ABB flow meters for water
distribution network**



WATER

Financial Statements



06

FINANCIAL STATEMENTS

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Independent Auditor's Report To the Members of ABB India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of ABB India Limited (the "Company") which comprise the balance sheet as at 31 December, 2022, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 December, 2022, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p>Revenue from fixed price contracts using percentage of completion method See Note 2.6 and 2.3(a) to the financial statements</p> <p>Revenue from fixed price contracts are recognized in accordance with Ind AS 115, Revenue from Contracts with Customers, and as detailed in note 2.6 of the “significant accounting policies” in the financial statements.</p> <p>There are key judgements and estimates involved in recognition of revenue relating to fixed price contracts on a percentage of completion method, which includes:</p> <ul style="list-style-type: none"> • Estimation of total contract costs and remaining costs to completion, which is a critical factor in measuring progress of a contract and amounts of revenue to be recognized; • Evaluation of risks arising from operational delays, contract terms, changes in estimations, technical, legal, external environment etc. This requires the Company to estimate costs to capture such risks, including liquidated damages and warranties. <p>In view of the above and given the Company and its stakeholders focus on revenue as a key performance indicator, we determined this to be a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. • We understood the process on revenue recognition of fixed price contracts using percentage of completion method and tested key internal controls (both design and operating effectiveness) with respect to revenue recognition of such contracts on random sample basis. • We performed analytical procedures on revenue recognised during the year on such contracts at segment level to identify unusual variances, if any, vis-a-vis previous year and discussed with designated management personnel. • We performed substantive testing on the statistically selected samples of revenue transactions recorded during the year by testing the underlying documents and approvals. • We evaluated management’s estimates over contract costs by performing analytical procedures on such estimates and discussed with designated management personnel. • We performed a retrospective review for contracts completed during the current year by comparing the final outcome of the contracts with previous estimates made for those contracts to assess the reliability of the management’s estimation process. • We tested provision for onerous contracts on statistically selected samples. • We performed tests on whether actual costs have been accrued in the correct period, by testing the underlying documents for samples selected using statistical sampling. • We tested the disclosures made in the financial statements.
<p>Recoverability of trade receivables See Note 2.12(a) and 2.3(f) to the financial statements</p> <p>Trade receivables, including retention money with customers, forms a significant part of the financial statements. Management’s assessment of recoverability of trade receivables involves critical evaluation of all factors impacting recoverability including impact of external environment such as capability of customers to pay.</p> <p>Management makes an impairment allowance for trade receivables on the basis of its assessment of recoverability of specific customers and on the basis of expected credit loss model for the remaining customers in accordance with Ind AS 109, Financial Instruments. For the purposes of impairment assessment, significant judgements and assumptions are made, including assessing credit risk, timing and amount of realization, etc.</p> <p>In view of the above, we determined this to be a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • We obtained an understanding of the processes implemented by management to estimate impairment provision against trade receivables. • We tested key controls (both design and operating effectiveness) over management’s estimate of impairment loss on random sample basis. • We obtained and tested the appropriateness of ageing of trade receivables with the underlying invoices on a sample basis using random sampling. • We obtained, discussed and tested management assessment of impairment for specific customers and discussed with designated management personnel. • We evaluated the impairment model adopted by management to estimate the expected credit loss and tested related assumptions and computations. We corroborated management’s estimates on the basis of past trends, available information and discussed with designated management personnel. • We have also involved specialists to evaluate the reasonableness of management’s expected credit loss model and related assumptions.

The key audit matter	How the matter was addressed in our audit
<p>Sale of Investment in subsidiary to a related party See Note 35 to the financial statements</p> <p>During the year, the Company has sold the investment in its wholly owned subsidiary (Turbocharging Industries and Services India Private Limited) to Turbo Systems Switzerland Ltd. (a related party) for a consideration of Rs. 355 crores.</p> <p>Management determined the fair value of investment basis independent valuation reports involving significant judgements and assumptions around estimation of cash flow projections, discount rate and growth rate.</p> <p>This being a transaction with a related party, appropriate approvals from the Board of Directors of the Company was obtained.</p> <p>In view of the above, we determined this to be a key audit matter.</p>	<p>In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> • We obtained an understanding of the processes implemented by management over sale of business/investment and tested key controls (both design and operating effectiveness). • We tested fair value of investment considered by management based on independent valuation reports, by evaluating the appropriateness of methods, assumptions and data used to derive the estimates for cash flow projections including underlying key assumptions such as discount rate and growth rate. • We also involved specialists to evaluate the reasonableness of valuation method and related judgements. • We performed substantive testing on the transactions recorded by management by testing the underlying documents and required approvals including approval from the Board of Directors of the Company. • We tested the disclosures made in the financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 December 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 December 2022 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- B. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 December 2022 on its financial position in its financial statements - Refer Note 08, 23, 24 and 42 to the financial statements.
- b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 20 and 23 to the financial statements.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d. (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 50(e) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 50(e) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above contain any material misstatement.
- e. The final dividend paid by the Company during the year, which was declared in the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 51 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- C. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm’s Registration No.:101248W/W-100022

Amit Somani
Partner
Membership No.: 060154
ICAI UDIN:23060154BGXCZK4220

Place : New Delhi
Date : February 10, 2023

Annexure A to the Independent Auditor's Report on the Financial Statements of ABB India Limited for the year ended 31 December, 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rs. in crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute.
Freehold land, Nelamangala	2.90	ABB Global Industries and Services Private Limited	No	2011 onwards	We understand from the management that registration is in process. There is no dispute.

- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loan (unsecured) to its employees during the year, details of the same is stated in sub-clauses below. The Company has not granted any loans, secured or unsecured, to Companies, firms, limited liability partnerships or any other parties (except employees) during the year. Further, the Company has made investments in a subsidiary and Government securities (treasury bills), details of the same is stated in sub-clause (b) below. The Company has not made any investments in firms, limited liability partnership or any other parties (except Government securities) during the year.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to subsidiary. The Company does not have any investment in joint ventures and associates.

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to parties other than subsidiaries, joint ventures and associates other than as disclosed below:

Particulars	Amount (Rs. in crores)
Aggregate amount during the year	
-Others (Loans to employees)	15.50
Balance outstanding as at balance sheet date	
-Others (Loans to employees)	4.94

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and terms and conditions of the grant of loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 December 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Income-Tax, Duty of Customs or cess or other statutory dues (such as Service tax, Duty of Excise, Sales Tax and Value added Tax relating to the period before 01 July 2017) which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Crores)*	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs duty, interest and penalty demanded	340.02	2008-2022	Commissioner of Customs / Customs Excise and Service Tax Appellate Tribunal
Income Tax Act, 1961	Income tax, interest and penalty demanded	60.58	2011-2017	Joint Commissioner of Income Tax / Assistant Commissioner of Income Tax
Goods and Service tax Act, 2017	Goods and Service tax, interest and penalty demanded	8.32	2017-2022	GST Tribunal / Joint Commissioner of Commercial Taxes (Appeals) / High Court
Central excise Act, 1944	Excise Duty, interest and penalty demanded	62.44	1996-2021	Commissioner (Appeals) / Commissioner (LTU) / Ministry of Finance (Department of Revenue) / Custom Excise and Service Tax Appellate Tribunal
Finance Act, 1994	Service Tax, interest and penalty demanded	25.26	2006-2020	Commissioner (Appeals) / Custom Excise & Service Tax Appellate Tribunal / High Court / Supreme Court
Sales Tax Act	Sales Tax, interest and penalty demanded	230.04	1994-2018	Additional Commissioner (Appeals) / Assistant Commissioner of Commercial Taxes / Commissioner of Commercial Taxes / Deputy Commissioner of Commercial Taxes (Appeals) / Deputy Commissioner (Appeals) / Joint Commissioner of Commercial Taxes (Appeals) / Taxation Board / High Court / Sales Tax Appellate Tribunal / Supreme Court

*Net of amounts paid under protest.

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act. Further, the Company does not hold any investment in any associate or joint ventures (as defined under the Act) during the year ended 31 December 2022.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act). Further, the Company does not hold any investment in any associate or joint ventures (as defined under the Act) during the year ended 31 December 2022.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Amit Somani

Partner

Membership No.: 060154

ICAI UDIN:23060154BGXCZK4220

Place : New Delhi

Date : February 10, 2023

Annexure B to the Independent Auditor's Report on the financial statements of ABB India Limited for the year ended 31 December 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of ABB India Limited ("the Company") as of 31 December 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 December 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Amit Somani

Partner

Membership No.: 060154

ICAI UDIN:23060154BGXCZK4220

Place : New Delhi

Date : February 10, 2023

Balance Sheet

ABB India Limited		(₹ in Crores)		
Balance Sheet as at December 31, 2022		Notes	December 31, 2022	December 31, 2021
Assets				
Non-current assets				
Property, plant and equipment	3		840.03	752.80
Right-of-use assets	3		41.17	45.51
Capital work-in-progress	4		69.25	76.93
Goodwill	5		14.62	14.62
Other intangible assets	5		3.35	4.05
Financial assets				
Other financial assets	6		7.54	8.68
Deferred tax assets (net)	7		89.84	93.86
Income tax assets (net)	8		191.20	267.35
Other non-current assets	9		162.63	173.60
Total non-current assets			1,419.63	1,437.40
Current assets				
Inventories	13		1,420.66	1,009.09
Financial assets				
Investments	14		493.15	-
Trade receivables	10		2,092.99	1,883.84
Cash and cash equivalents	11		3,146.86	719.09
Bank balances other than cash and cash equivalents	12		2.22	1,993.10
Loans receivable	15		4.94	4.40
Other financial assets	6		293.12	658.64
Other current assets	16		444.66	307.03
			7,898.60	6,575.19
Assets classified as held for sale	35		-	60.15
Total current assets			7,898.60	6,635.34
Total assets			9,318.23	8,072.74
Equity and liabilities				
Equity				
Equity share capital	17		42.38	42.38
Other equity	18		4,897.03	4,002.81
Total equity			4,939.41	4,045.19
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	19		21.03	18.53
Other financial liabilities	20		7.45	5.23
Total non-current liabilities			28.48	23.76
Current liabilities				
Financial liabilities				
Lease liabilities	19		12.06	18.13
Trade payables	21			
Total outstanding dues to micro and small enterprises			92.08	84.18
Total outstanding dues to creditors other than micro and small enterprises			2,544.68	2,149.49
Other financial liabilities	20		472.62	788.77
Other current liabilities	22		803.54	544.24
Provisions	23		383.18	334.54
Current tax liabilities (net)	24		42.18	34.99
			4,350.34	3,954.34
Liabilities directly associated with assets held for sale	35		-	49.45
Total current liabilities			4,350.34	4,003.79
Total liabilities			4,378.82	4,027.55
Total equity and liabilities			9,318.23	8,072.74

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm's Registration No.: 101248W/W-100022

Amit Somani

Partner

Membership no.: 060154

New Delhi, February 10, 2023

For and on behalf of the Board

Sanjeev Sharma

Managing Director

DIN: 07362344

V K Viswanathan

Director

DIN: 01782934

T K Sridhar

Chief Financial Officer

New Delhi, February 10, 2023

Trivikram Guda

Company Secretary

ACS-17685

Statement of Profit and Loss

ABB India Limited	(₹ in Crores)		
For the year ended December 31, 2022	Notes	December 31, 2022	December 31, 2021
Continuing operations			
Income			
Revenue from operations	25	8,567.53	6,934.00
Other income	26	179.47	159.62
Total income		8,747.00	7,093.62
Expenses			
Cost of raw materials, components consumed and project bought outs	27	4,704.18	3,757.40
Purchases of traded goods	28	698.53	691.31
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	29	(101.53)	(33.36)
Subcontracting charges		241.45	210.96
Employee benefit expenses	30	635.29	588.24
Finance costs	31	13.11	10.70
Depreciation and amortisation expenses	32	104.70	102.70
Other expenses	33	1,427.74	1,162.74
Total expenses		7,723.47	6,490.69
Profit from continuing operations before exceptional items and tax		1,023.53	602.93
Exceptional items (gain) / loss (refer note 35 & 49)		(339.26)	(121.34)
Profit from continuing operations before tax		1,362.79	724.27
Tax expenses			
Current tax	7	328.29	176.85
Deferred tax	7	8.89	14.93
		337.18	191.78
Profit from continuing operations after tax		1,025.61	532.49
Discontinued operation			
(Loss) / Profit from discontinued operations	34	(12.53)	(17.08)
Tax (expenses)/credit of discontinued operation	7	3.15	4.30
(Loss) / Profit from discontinued operations after tax		(9.38)	(12.78)
Profit for the year		1,016.23	519.71
Other comprehensive income/(loss)			
Items that will not be reclassified to profit or loss in subsequent periods:			
Re-measurement gain / (loss) on defined benefit plan		(16.69)	33.47
Income tax effect	7	4.87	(8.42)
Other comprehensive income/(loss) for the year, net of income tax		(11.82)	25.05
Total comprehensive income for the year, net of income tax		1,004.41	544.76
Earnings per equity share - continuing operations			
Basic	36	48.40	25.13
Diluted		48.40	25.13
Earnings/(loss) per equity share - discontinued operation			
Basic	36	(0.44)	(0.60)
Diluted		(0.44)	(0.60)
Earnings per equity share - continuing and discontinued operation			
Basic	36	47.96	24.53
Diluted		47.96	24.53
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022

For and on behalf of the Board

Amit Somani
Partner
Membership no.: 060154
New Delhi, February 10, 2023

Sanjeev Sharma
Managing Director
DIN: 07362344

V K Viswanathan
Director
DIN: 01782934

T K Sridhar
Chief Financial Officer
New Delhi, February 10, 2023

Trivikram Guda
Company Secretary
ACS-17685

Statement of cash flows

ABB India Limited	(₹ in Crores)	
For the year ended December 31, 2022	December 31, 2022	December 31, 2021
A. Cash flow from operating activities		
Profit before tax from continuing operations	1,362.79	724.27
(Loss) before tax from discontinued operation	(12.53)	(17.08)
Adjustments to reconcile profit before tax to net cash provided by operating activities		
Depreciation and amortisation expense	104.70	102.70
Unrealised exchange loss / (gains) (net)	27.66	(14.53)
Mark to market change in forward and commodity contracts	(35.83)	28.55
(Profit) / loss on foreclosure of leased assets	-	(3.44)
(Profit) / loss on sale of land to a subsidiary	(5.91)	-
(Profit) / loss on sale of turbo business to a subsidiary	(293.35)	(46.81)
(Profit) / loss on sale of investment in subsidiary	(40.00)	-
(Profit) / loss on sale of fixed assets (net)	3.55	(69.32)
Bad debts / advances written off	64.66	63.58
Provision for doubtful debts and advances	(54.06)	(49.24)
Interest income	(126.77)	(68.62)
Interest expense	13.11	10.70
Operating profit before working capital changes	1,008.02	660.76
Movement in working capital		
Increase / (decrease) in trade payables	368.23	299.43
Increase / (decrease) in other financial liabilities	(320.72)	(264.28)
Increase / (decrease) in other liabilities and provisions	293.85	128.87
(Increase) / decrease in trade receivables	(218.50)	(245.30)
(Increase) / decrease in inventories	(414.25)	(182.23)
(Increase) / decrease in other financial assets	405.77	274.36
(Increase) / decrease in loans and other assets	(133.79)	91.63
Cash generated from operations	988.61	763.24
Direct taxes paid (net of refunds)	(246.67)	(113.05)
Net cash flow from / (used in) operating activities	741.94	650.19
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(167.96)	(172.28)
Proceeds from sale of property, plant and equipment	20.06	36.44
Investment in subsidiary	(315.00)	-
Proceeds from sale of turbo business to subsidiary	310.00	-
Proceeds from sale of investment in subsidiary	355.00	-
Investment in treasury bills	(1,066.11)	-
Proceeds from maturity of treasury bills	589.00	-
Redemption of deposits (with maturity more than three months)	1,967.00	-
Investment in bank deposits (with maturity more than three months)	-	(1,967.00)
Proceeds from sale of mechanical power transmission business	-	44.58
Proceeds from maturity of investments	-	0.08
Interest received	134.23	50.31
Net cash flow from / (used in) investing activities	1,826.22	(2,007.87)

ABB India Limited	(₹ in Crores)	
For the year ended December 31, 2022	December 31, 2022	December 31, 2021
C. Cash flow from financing activities		
Payment of principal portion of lease liabilities	(16.85)	(10.18)
Payment of interest portion of lease liabilities	(1.82)	(2.23)
Interest paid	(11.29)	(8.47)
Dividend paid	(110.19)	(105.95)
Net cash flow from / (used in) financing activities	(140.15)	(126.83)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	2,428.01	(1,484.51)
Effects of exchange (loss) / gain on cash and cash equivalents	(0.24)	(0.35)
Cash and cash equivalents (opening balance)	719.09	2,203.95
Cash and cash equivalents (closing balance)	3,146.86	719.09
Components of cash and cash equivalents		
Balances with banks		
- On current accounts	202.00	178.24
- Deposit accounts (Original maturity upto 3 months)	2,900.00	500.00
- Interest accrued on deposit	8.00	0.95
Cheques on hand / remittance in transit	36.85	39.89
Cash on hand	0.01	0.01
(Refer note no. 11)	3,146.86	719.09

Summary of significant accounting policies (Note-2)

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached
for **B S R & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.: 101248W/W-100022

For and on behalf of the Board

Amit Somani
Partner
Membership no.: 060154
New Delhi, February 10, 2023

Sanjeev Sharma
Managing Director
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V K Viswanathan
Director
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T K Sridhar
Chief Financial Officer
New Delhi, February 10, 2023

Trivikram Guda
Company Secretary
ACS-17685

Statement of changes in equity for the year ended December 31, 2022

a. Equity share capital*

Equity shares of ₹ 2 each issued, subscribed and fully paid

	Numbers	(₹ in Crores)
As at January 1, 2021	21,19,08,375	42.38
Changes in equity share capital	-	-
Restated balance as at December 31, 2021	21,19,08,375	42.38
Changes in equity share capital during the year	-	-
As at December 31, 2022	21,19,08,375	42.38

*Refer note 17

b. Other equity*

Particulars	Other equity						Total equity
	Securities premium	Employee stock options reserve	Retained earnings	General reserve	Capital redemption reserve	Capital reserve	
As at January 1, 2021	43.28	0.07	921.17	2,591.06	7.50	0.92	3,564.00
Profit for the year	-	-	519.71	-	-	-	519.71
Other comprehensive income (net of tax)**	-	-	25.05	-	-	-	25.05
Dividend paid	-	-	(105.95)	-	-	-	(105.95)
Balance at December 31, 2021	43.28	0.07	1,359.98	2,591.06	7.50	0.92	4,002.81
Profit for the year	-	-	1,016.23	-	-	-	1,016.23
Other comprehensive income/ (loss) (net of tax)**	-	-	(11.82)	-	-	-	(11.82)
Dividend paid	-	-	(110.19)	-	-	-	(110.19)
As at December 31, 2022	43.28	0.07	2,254.20	2,591.06	7.50	0.92	4,897.03

*Refer note 18

**Loss of ₹11.82 crore and gain of ₹25.05 crore on remeasurement of defined employee benefit plans (net of tax) is recognised as a part of retained earnings for the years ended December 31, 2022 and 2021, respectively.

Summary of significant accounting policies (Note-2)

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022

For and on behalf of the board

Amit Somani

Partner

Membership no.: 060154

New Delhi, February 10, 2023

Sanjeev Sharma

Managing Director

DIN: 07362344

T K Sridhar

Chief Financial Officer

New Delhi, February 10, 2023

V K Viswanathan

Director

DIN: 01782934

Trivikram Guda

Company Secretary

ACS-17685

Notes to the financial statements for the year ended December 31, 2022

1. Corporate Information

ABB India Limited ('the Company') has served utility and industry customers for over seven decades with the complete range of engineering, products, solutions and services in areas of Automation and Power technology. The Company has extensive installed base for manufacturing and a countrywide marketing and service presence. Besides catering to Indian domestic market, the Company is also playing an increasing role in the global market.

The Company is a public limited company domiciled in India and incorporated under the provisions of the Indian Companies Act. The registered office is located at Bengaluru. Its shares are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

The financial statements are approved for issue by the Company's Board of Directors on February 10, 2023.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

A Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

B Functional and presentation currency

The financial statements are presented in INR in crores, rounded off to two decimal places, except when otherwise indicated.

C Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis of accounting, except for the following assets and liabilities which have been measured at fair value:

- Derivative financial instruments
- Investments classified as Fair Value Through Profit or Loss ('FVTPL').
- Fair value of plan assets less present value of defined benefit obligations.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note 2.3. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2.3 Critical accounting estimates and judgements

a. Project revenue and costs

The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the efforts or costs expended to date as a proportion of the total efforts or costs to be expended. Efforts or costs expended have been used to measure progress towards completion as there is a direct relationship between input and productivity. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

b. Property, plant and equipment ('PPE')

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

c. Employee benefits

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rate and past trends. Further details about gratuity obligations are given in Note 37.

d. Provision for litigations and contingencies

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities. Contingent liabilities are recognised when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the financial statements.

e. Provision for income tax

The Company uses estimates and judgements in respect of eligibility of costs / expenses as a deductible item while determining the provision for income tax.

f. Expected credit losses on trade receivables:

The expected credit loss provision on trade receivables are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the expected credit loss calculation based on the Company's history of collections, customer's creditworthiness and market conditions at the end of each reporting period.

2.4 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities, except for projects business. The projects business comprises long-term contracts which have an operating cycle exceeding one year. For classification of current assets and liabilities related to projects business, the Company uses the duration of the individual life cycle of the contract as its operating cycle.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- The Company classifies all other liabilities as non-current.
- Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

2.5 Foreign Currency

Functional currency

The functional currency of the company is the Indian Rupee.

Transactions and translations

Initial recognition transactions in foreign currencies are recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. The gains or losses resulting from such translations are recognised in the statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

2.6 Revenue Recognition

Revenue is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue are stated exclusive of goods and service tax and net of returns and trade and quantity discount.

Revenue from sale of products is recognised on transfer of control of the products to the customers, which is usually on delivery of goods to the customer or as per contractual terms with the customer.

Revenues from fixed price contracts are recognized on the percentage of completion method, in proportion that the contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs. Contract revenue earned in excess of billing has been reflected under "Other current assets" and billing in excess of contract revenue has been reflected under "Other current liabilities" in the balance sheet. Full provision is made for any loss in the year in which it is first foreseen. Liquidated damages / penalties are provided for as per the contract terms wherever there is a delayed delivery attributable to the Company.

Revenue from services is recognised as per the terms of the contract with the customer using the percentage of completion method, in proportion that the costs incurred for work performed up to the reporting date bear to the estimated total costs.

Revenue from the development services are recognised on a cost plus basis and billed in accordance with the terms of arrangement with the customer.

Commission income is recognised as and when the terms of the contract are fulfilled.

Interest income is recognised on time proportion basis, based on the underlying interest rates.

2.7 Income Taxes

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in net profit in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets tax assets and tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.8 Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognised in statement of profit or loss as incurred. The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and cost of assets not ready for use at the balance sheet date are disclosed under capital work- in- progress.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method. The estimated useful lives of assets are as follows:

Useful lives estimated by the management in years:

• Leasehold improvements	Shorter of over the period of lease or useful life
• Factory buildings	15-30
• Other buildings	3-60
• Furniture and fixtures	10
• Office equipments	3-5
• Plant and equipment	6-21
• Vehicles	5
• Freehold land is not depreciated	

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of property, plant and equipment are recognized in the statement of profit and loss when the property, plant and equipment is derecognized.

2.9 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in the statement of profit and loss in the period in which the expenditure is incurred. The estimated useful life of assets in years are as follows:

• Technical know-how fees	3-10
• Capitalized software costs	3-5

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Goodwill and intangible assets with indefinite useful life recognized on business combination are tested for impairment at least annually and when events occur or changes in circumstances indicate that the recoverable amount of an asset or cash generating unit to which the assets pertains is less than the carrying value.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

2.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. The cost of various categories of inventories is arrived at as follows:

Stores, spares, raw materials, components and traded goods - at rates determined on the moving weighted average method.

Goods in Transit – at actual cost.

Work-in-progress and finished goods - at full absorption cost method which includes direct materials, direct labour and manufacturing overheads. Cost is determined on weighted average method.

Provision for obsolescence is made wherever necessary.

2.12 Impairment

a Financial assets

Financial assets (other than at fair value) The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 ('Financial Instruments') requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. Additionally the Company provides for impairment upon the occurrence of the triggering event.

The impairment provisions for financial assets are based on evaluation of the risk of default over the expected life of the receivables and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history of collections, customer's credit-worthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

b Non-financial assets

Intangible assets and property, plant and equipment

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

2.13 Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.14 Other income

Other income is comprised primarily of interest income. Interest income is recognized using the effective interest method.

2.15 Provisions, Contingent liability and assets

General

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of time value of money is material, Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets

Contingent assets are not recognised or disclosed in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Onerous contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs (full cost basis) of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

2.16 Financial instruments

2.16.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition.

2.16.2 Subsequent measurement

a. Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business where the objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business where the objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

(v) Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

b. Derivative financial instruments

The company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally a bank. Commodity risk is mitigated by entering into future contracts to hedge against fluctuation in commodity prices.

Financial assets or financial liabilities, at fair value through profit or loss.

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income / expenses. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

Certain commercial contracts may grant rights to the Company or the counterparties, or contain other provisions that are considered to be derivatives. Such embedded derivatives are assessed at inception of the contract and depending on their characteristics, accounted for as separate derivative instruments and shown at their fair value in the balance sheet with changes in their fair value recognized through profit or loss.

2.17 Fair value of financial instruments

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.18 Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. The Company has no potentially dilutive equity shares.

2.19 Employee benefits

2.19.1 Gratuity & Provident Fund - Defined benefit plans

The present value of the obligation under defined benefit plans are determined based on actuarial valuation using the Projected Unit Credit Method. In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognize the obligation on a net basis.

In case of defined benefit plans, remeasurement comprising of actuarial gains and losses is recognized in other comprehensive income (OCI) and is reflected in retained earnings and is not eligible to be reclassified to profit or loss.

The Company recognises the following changes in the net defined benefit obligation as an expense in statement of profit and loss:

- Service cost including current service cost, past service cost and gains and losses on curtailments and settlements; and
- Net interest expense or income.

Provident fund has been considered as a defined benefit plan since any additional obligations on account of investment risk and interest rate risk are required to be met by the Company.

2.19.2 Superannuation - Defined contribution scheme

Contribution to Superannuation Fund, is made at pre-determined rates to the Superannuation Fund Trust and is charged to the statement of profit and loss during the period in which the employee renders the related services. There are no other obligations other than the contribution payable to the Superannuation Fund Trust.

2.19.3 Compensated absences

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company presents the entire accumulated leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date.

2.19.4 Share based compensation

The company recognizes compensation expense relating to share-based payments in net profit using fair-value in accordance with Ind AS 102, Share-Based Payment. The estimated fair value of awards is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was in-substance, multiple awards with a corresponding increase to share options outstanding account.

For cash-settled share-based payment transactions, the Company measures the services acquired and the liability incurred at the fair value of the liability. The Company recognises the services received, and a liability to pay for those services, as the employees render service. The liability is measured, initially and at the end of each reporting period until settled, at the fair value of the share appreciation rights, by applying an option pricing model, taking into account the terms and conditions on which the share appreciation rights were granted, and the extent to which the employees have rendered service to date.

2.20 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of statement of cash flows, cash and cash equivalents consist of cash and cheque at hand and cash and deposit with bank.

2.21 Operating cycle

A portion of the Company's activities (primarily long-term project activities) has an operating cycle that exceeds one year. Accordingly, assets and liabilities related to these long-term contracts, which will not be realized/paid within one year, have been classified as current. For all other activities, the operating cycle is twelve months.

2.22 Non-current assets held for sale and discontinued operations

Non-current assets (including disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Non-current assets classified as held for sale are measured at lower of their carrying amount and fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortised from the date when they are classified as held for sale.

An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.

Non-current assets classified as held for sale and the assets and liabilities of a disposal group classified as held for sale are presented separately from the other assets and liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and:

- (a) represents a separate major line of business or geographical area of operations and;
- (b) is part of a single co-ordinated plan to dispose of such a line of business or area of operations.

The results of discontinued operations are presented separately in the statement of profit and loss. The comparative statement of profit and loss is re-presented as if the operation had been discontinued from the start of the comparative period.

2.23 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset;
- the Company had the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company had the right to direct the use of the asset.

The Company as lessor

At inception or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

The Company as lessee

The Company recognises a right-of-use asset (ROU) and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The Company's significant leasing arrangements are mainly in respect of land & buildings, plant & equipment and vehicles.

2.24 Exceptional items

When an item of income/expense within profit and loss from ordinary activities is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items are disclosed as exceptional item.

2.25 Amendments to Schedule III of Companies Act, 2013

The Company has adopted the presentation requirements under the amended schedule III including changes to comparative financial information where applicable in preparation of the financial statements.

2.26 Standards issued but not effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards which are applicable to company for the financial year starting from January 1, 2023.

Ind AS 103 – Business Combination

Ind AS 109 – Financial Instrument

Ind AS 16 – Property, Plant and Equipment

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Application of above standards are not expected to have any significant impact on the company's financial statements

3 Property, plant and equipment and Right-of-use assets

(₹ in Crores)

	Owned assets								ROU Assets				
	Freehold Land	Lease hold Improvements	Factory Buildings	Other Buildings	Plant and Equipment	Office Equipments	Furniture and Fixtures	Vehicles	Total	Land and Buildings	Plant and Equipment	Vehicles	Total
Gross carrying value													
As at January 1, 2021	54.85	16.96	174.14	69.94	609.79	21.00	54.40	2.99	1,004.07	54.40	22.36	14.20	90.96
Additions	12.85	2.82	19.62	22.80	75.22	7.48	21.14	0.93	162.86	7.21	3.72	5.88	16.81
Disposals	(1.46)	(8.87)	(1.02)	(0.70)	(22.17)	(1.84)	(5.39)	(0.21)	(41.66)	(22.72)	(7.01)	(5.07)	(34.80)
Transferred to asset held for sale	-	(2.74)	(4.10)	(0.94)	(15.43)	(0.27)	(0.38)	(0.05)	(23.91)	(1.85)	-	(0.12)	(1.97)
As at December 31, 2021	66.24	8.17	188.64	91.10	647.41	26.37	69.77	3.66	1,101.36	37.04	19.07	14.89	71.00
Additions	-	0.08	43.79	16.95	88.84	5.91	20.40	1.37	177.34	5.67	3.25	5.93	14.85
Disposals	(1.94)	-	(1.37)	(0.38)	(16.17)	(0.92)	(2.35)	(0.09)	(23.22)	-	-	(1.49)	(1.49)
As at December 31, 2022	64.30	8.25	231.06	107.67	720.08	31.36	87.82	4.94	1,255.48	42.71	22.32	19.33	84.36
Accumulated depreciation													
Balance as at January 1, 2021	-	7.67	32.53	9.01	234.62	10.91	19.87	0.77	315.38	9.57	2.52	4.58	16.67
Depreciation charge for the year	-	2.48	7.29	1.78	56.55	4.56	6.67	0.39	79.72	7.21	9.42	4.19	20.82
Disposals	-	(7.32)	(0.77)	(0.13)	(18.64)	(1.80)	(4.62)	(0.21)	(33.49)	(5.71)	(2.56)	(2.28)	(10.55)
Transferred to asset held for sale	-	(1.26)	(1.13)	(0.33)	(9.82)	(0.23)	(0.23)	(0.05)	(13.05)	(1.39)	-	(0.06)	(1.45)
As at December 31, 2021	-	1.57	37.92	10.33	262.71	13.44	21.69	0.90	348.56	9.68	9.38	6.43	25.49
Depreciation charge for the year	-	1.49	7.76	2.76	58.69	5.19	8.24	0.53	84.66	6.02	8.41	3.93	18.36
Disposals	-	-	(0.71)	(0.35)	(13.65)	(0.92)	(2.05)	(0.09)	(17.77)	-	-	(0.66)	(0.66)
As at December 31, 2022	-	3.06	44.97	12.74	307.75	17.71	27.88	1.34	415.45	15.70	17.79	9.70	43.19
Net carrying value as at December 31, 2021	66.24	6.60	150.72	80.77	384.70	12.93	48.08	2.76	752.80	27.36	9.69	8.46	45.51
Net carrying value as at December 31, 2022	64.30	5.19	186.09	94.93	412.33	13.65	59.94	3.60	840.03	27.01	4.53	9.63	41.17

Notes:

- Freehold land of 1 acre and 32 guntas at Nelamangala, Karnataka having gross value of ₹ 2.90 crores is in the name of ABB Global Industries and Services Private Limited since 2011. The registration of the land in the name of the Company is in process and there is no dispute.
- There are no tangible assets given on operating lease.

4 Capital work-in-progress

(i) Capital work in progress movement

	(₹ in Crores)
As at January 1, 2021	126.12
Additions during the year	42.00
Capitalised during the year	(91.19)
As at December 31, 2021	76.93
Additions during the year	51.17
Capitalised during the year	(58.85)
As at December 31, 2022	69.25

(ii) Capital work-in-progress ageing schedule

	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	57.66	16.07	2.70	0.50	76.93
Projects temporarily suspended	-	-	-	-	-
As at December 31, 2021	57.66	16.07	2.70	0.50	76.93
Projects in progress	55.91	10.12	1.19	2.03	69.25
Projects temporarily suspended	-	-	-	-	-
As at December 31, 2022	55.91	10.12	1.19	2.03	69.25

(iii) Capital work-in-progress, for which completion is overdue compared to its original plan :

	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Peenya project	11.15	-	-	-	11.15
Others	0.74	0.29	-	-	1.03
As at December 31, 2021	11.89	0.29	-	-	12.18
Peenya project	0.21	-	-	-	0.21
Nasik project	2.82	-	-	-	2.82
As at December 31, 2022	3.03	-	-	-	3.03

Others includes individually not material. There were no material projects which have exceeded their original plan as at December 31, 2022.

Further, the above are expected to be capitalised during the financial year 2023.

5 Goodwill and other intangible assets

	(₹ in Crores)			
	Goodwill	Other intangible assets		Total
		Technical Know-how fees	Capitalised Software	
Gross carrying value				
As at January 1, 2021	14.62	9.86	10.12	19.98
Additions	-	-	1.10	1.10
Disposals	-	-	(0.06)	(0.06)
Transferred to asset held for sale	-	-	(0.16)	(0.16)
As at December 31, 2021	14.62	9.86	11.00	20.86
Additions	-	-	0.98	0.98
Disposals	-	-	(0.38)	(0.38)
As at December 31, 2022	14.62	9.86	11.60	21.46
Accumulated amortisation / impairment				
Balance as at January 1, 2021	-	8.47	6.38	14.85
Amortisation charge for the year	-	0.75	1.41	2.16
Disposals	-	-	(0.06)	(0.06)
Transferred to asset held for sale	-	-	(0.14)	(0.14)
As at December 31, 2021	-	9.22	7.59	16.81
Amortisation charge for the year	-	0.26	1.42	1.68
Disposals	-	-	(0.38)	(0.38)
As at December 31, 2022	-	9.48	8.63	18.11
Net carrying value as at December 31, 2021	14.62	0.64	3.41	4.05
Net carrying value as at December 31, 2022	14.62	0.38	2.97	3.35

Note

(₹ in Crores)

	December 31, 2022	December 31, 2021
Breakup of Goodwill CGU wise		
Electrification Products	14.62	14.62
	14.62	14.62

Goodwill and CGU's impairment testing

The Company tests whether goodwill has suffered any impairment on an annual basis as at 31 December. The recoverable amount of a Cash Generating Unit ('CGU') is determined based on value-in-use calculations which require the use of assumptions. The calculations use pre-tax cash flow projections based on financial budgets approved by the management. An average of the range of each assumption used is mentioned below.

	December 31, 2022	December 31, 2021
Growth rate	5% - 6%	5% - 6%
Operating margins	6% - 13%	6% - 13%
Discount rate	9% - 10%	9% - 10%

The above discount rate is based on the Weighted Average Cost of Capital (WACC) which represents the weighted average return attributable to all the assets of the CGU. These estimates are likely to differ from future actual results of operations and cash flows.

Based on the above assessment, there has been no impairment of goodwill.

6 Other financial assets

(₹ in Crores)

	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
(Unsecured considered good, unless otherwise stated)				
Security deposits	7.54	8.68	11.03	14.11
Deposits with customers	-	-	3.52	1.98
Other receivables**	-	-	213.50	616.61
Mark to market gain on forward contracts*	-	-	41.91	14.38
Mark to market gain on embedded derivatives*	-	-	23.16	11.56
	7.54	8.68	293.12	658.64

* At fair value through profit and loss

** Includes receivable from related parties and receivables on behalf of related and other parties towards non-novated contracts (refer note 46(b)(xii))

7 Tax expenses

(₹ in Crores)

	December 31, 2022	December 31, 2021
The major components of income tax expense for the years ended December 31,		
Statement of profit and loss:		
Profit or loss section (continuing and discontinued operations)		
Current income tax:		
Current income tax charge	321.53	167.15
Taxes / (refund) relating to earlier years	3.61	5.40
Deferred tax	8.89	14.93
Income tax expense reported in the statement of profit and loss	334.03	187.48
Other comprehensive income		
Deferred tax related to items recognised in OCI during the year:	4.87	(8.42)
Income tax expense charged to OCI	4.87	(8.42)
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate		
Accounting profit before income tax (continuing and discontinued operations)	1,350.26	707.19
At India's statutory income tax rate of 25.17% (December 31, 2021 - 25.17%)	339.86	178.00
Adjustments in respect of current income tax		
Non-deductible expenses for tax purposes:	2.69	2.83
Others	(8.52)	6.65
At the effective income tax rate of 24.738% (December 31, 2021 - 26.511%)	334.03	187.48
Deferred tax assets/(liabilities)		
	Balance Sheet	
Deferred tax relates to the following:	December 31, 2022	December 31, 2021
Property, plant and equipment	(25.70)	(25.15)
Right-of-use assets	(10.36)	(11.58)
Other intangible assets	0.82	1.17
Provision for doubtful debts and advances	63.29	77.19
Expenditure debited to the statement of profit and loss but allowable for tax purpose in subsequent years	61.79	52.23
Net deferred tax assets/(liabilities)	89.84	93.86
Reflected in the balance sheet as follows:		
Deferred tax assets	125.90	130.59
Deferred tax liabilities	(36.06)	(36.73)
Deferred tax assets, net	89.84	93.86

8 Income tax assets (net)

(₹ in Crores)

	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Advance income-tax (net of provision for tax)	191.20	267.35	-	-
	191.20	267.35	-	-

9 Other non-current assets

(₹ in Crores)

	December 31, 2022	December 31, 2021
Capital advances	24.15	15.10
Advances recoverable in cash or kind (considered doubtful)	5.13	5.13
Less: Provision for doubtful advances	5.13	5.13
	-	-
Taxes and duties recoverable	138.48	158.50
	162.63	173.60

10 Trade receivables

(₹ in Crores)

	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Unsecured				
Considered good	-	-	2,092.99	1,883.84
Considered doubtful	-	-	52.58	68.84
Credit impaired	200.36	231.73	-	-
	200.36	231.73	2,145.57	1,952.68
Less:				
Loss allowance on doubtful receivables	200.36	231.73	52.58	68.84
	-	-	2,092.99	1,883.84

Above balances of trade receivables includes balances with related parties (Refer note 46)

Trade receivables ageing schedule:

(₹ in Crores)

	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at December 31, 2021							
Undisputed trade receivables - considered good	1,490.82	212.26	55.23	47.00	21.94	56.59	1,883.84
Undisputed trade receivables - considered doubtful	0.19	4.16	5.14	11.32	6.51	41.52	68.84
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	118.73	15.00	7.00	16.00	32.00	43.00	231.73
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	1,609.74	231.42	67.37	74.32	60.45	141.11	2,184.41
Less:							
Allowance for doubtful trade receivables							(300.57)
							1,883.84
As at December 31, 2022							
Undisputed trade receivables - considered good	1,849.34	190.58	24.79	23.09	4.56	0.63	2,092.99
Undisputed trade receivables - considered doubtful	5.06	6.61	4.01	9.41	8.58	18.91	52.58
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	111.36	5.00	10.00	9.00	15.00	50.00	200.36
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	1,965.76	202.19	38.80	41.50	28.14	69.54	2,345.93
Less:							
Allowance for doubtful trade receivables							(252.94)
							2,092.99

11 Cash and cash equivalents

(₹ in Crores)

	December 31, 2022	December 31, 2021
Balances with banks		
- On current accounts	202.00	178.24
- Deposit accounts (Original maturity upto 3 months)	2,900.00	500.00
- Interest accrued on deposits	8.00	0.95
	3,110.00	679.19
Cheques on hand / remittance in transit	36.85	39.89
Cash on hand	0.01	0.01
	3,146.86	719.09

12 Bank balances other than cash and cash equivalents

(₹ in Crores)

	December 31, 2022	December 31, 2021
Deposit accounts (Original maturity more than 3 months and less than 12 months from the balance sheet date)	-	1,967.00
Interest accrued on deposits	-	23.50
		1,990.50
Unpaid dividend	2.22	2.60
	2.22	1,993.10

13 Inventories (valued at lower of cost and net realisable value)

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Raw materials and components (including goods in transit of ₹ 105.87 Crores, December, 31 2021 ₹ 56.18 Crores)	981.13	671.24
Work-in-progress	223.09	190.50
Finished goods	168.66	100.73
Traded goods	45.99	44.98
Stores and spares	1.79	1.64
	1,420.66	1,009.09

During the year ended **December 31, 2022** - ₹ 14.50 Crores (December 31, 2021 - ₹ (8.46) Crores) was recognized as an expense / (reversal) in relation to inventory obsolescence.

14 Investments

	(₹ in Crores)			
	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Investment in bonds				
Unquoted:-				
(Carried at amortised cost)				
Treasury bills	-	-	477.11	-
Interest accrued on investments	-	-	16.04	-
	-	-	493.15	-

15 Loans receivable

	(₹ in Crores)			
	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
(Unsecured considered good, unless otherwise stated)				
Loans to employees	-	-	4.94	4.40
	-	-	4.94	4.40

16 Others current assets

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Prepaid expenses	46.27	28.71
Contract assets (refer note 47)	138.57	54.02
Advances to suppliers	59.35	22.10
Advances to others	4.57	4.47
Balance with government authorities	104.02	109.51
Taxes and duties recoverable	88.46	80.32
Gratuity advance (refer note 37)	3.42	1.97
Other receivables	-	5.93
	444.66	307.03

17 Equity

Share capital	December 31, 2022		December 31, 2021	
	Equity shares		Equity shares	
	Numbers	(₹ in Crores)	Numbers	(₹ in Crores)
Authorised share capital				
At December 31, 2021	21,25,00,000	42.50	21,25,00,000	42.50
At December 31, 2022	21,25,00,000	42.50	21,25,00,000	42.50
	Preference shares		Preference shares	
	Numbers	(₹ in Crores)	Numbers	(₹ in Crores)
11% Redeemable 10 years, cumulative preference shares				
At December 31, 2021	7,50,000	7.50	7,50,000	7.50
At December 31, 2022	7,50,000	7.50	7,50,000	7.50
Issued equity share capital				
Equity shares of ₹ 2 each issued, subscribed and fully paid	Numbers	(₹ in Crores)	Numbers	(₹ in Crores)
At December 31, 2021	21,19,08,375	42.38	21,19,08,375	42.38
At December 31, 2022	21,19,08,375	42.38	21,19,08,375	42.38

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The Board of directors have recommended dividend of ₹ 5.50 per equity share for the year ended December 31, 2022. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Details of shareholders holding more than 5% of the shares in the Company

Name of the shareholders	Numbers	% of holding	Numbers	% of holding
ABB Asea Brown Boveri Limited - the holding company	15,89,31,281	75.00%	15,89,31,281	75.00%

As per records of the Company and other declarations received from shareholders, the above shareholding represents both legal and beneficial ownerships of shares.

Shares held by holding / ultimate holding company	Numbers	₹ in Crores	Numbers	₹ in Crores
ABB Asea Brown Boveri Limited - the holding company	15,89,31,281	31.79	15,89,31,281	31.79
	15,89,31,281	31.79	15,89,31,281	31.79

Shares held by promoters	Numbers	% of holding	Numbers	% of holding
ABB Asea Brown Boveri Limited (Equity shares of ₹ 2 each, fully paid)	15,89,31,281	75.00%	15,89,31,281	75.00%

18 Other equity

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
a) Securities premium		
Opening balance	43.28	43.28
Closing balance	43.28	43.28
b) Retained earnings		
Opening balance	1359.98	921.17
Net profit for the year	1016.23	519.71
Other comprehensive income/ (loss) (net of tax)	(11.82)	25.05
Less: Appropriations during the year		
Equity dividend paid	110.19	105.95
Closing balance	2254.20	1359.98
c) Employee stock options reserve		
Opening balance	0.07	0.07
Closing balance	0.07	0.07
d) Capital reserve		
Opening balance	0.92	0.92
Closing balance	0.92	0.92
e) Capital redemption reserve		
Opening balance	7.50	7.50
Closing balance	7.50	7.50
f) General reserve		
Opening balance	2591.06	2591.06
Closing balance	2,591.06	2,591.06
Total other equity	4,897.03	4,002.81

Nature and purpose of other reserves

a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

b) Retained earnings

Retained earnings are the profits of the Company earned till date net of appropriations/distributions and other adjustments permitted as per the applicable regulations and accounting standards.

c) Employee stock option reserve

The share options outstanding account is used to recognise the grant date fair value of the options issued to employees under Employee Share Acquisition Plan schemes.

d) Capital reserve

Capital reserve pertains to acquisitions in the earlier years.

e) Capital Redemption reserve

The Company had transferred to Capital Redemption reserve, a sum equal to the nominal amount of preference shares that were redeemed in the past. The reserve will be utilized as per the provisions of the Companies Act 2013.

f) General Reserve

General reserve is a free reserve which can be utilised for any purpose after fulfilling certain conditions in accordance with the provisions of the Companies Act, 2013.

19 Lease liabilities

	(₹ in Crores)			
	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Lease liabilities				
Lease liabilities	21.03	18.53	12.06	18.13
	21.03	18.53	12.06	18.13

20 Other financial liabilities

	(₹ in Crores)			
	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Security deposits received	7.45	5.23	0.02	0.04
Unpaid dividends	-	-	2.21	2.60
Employee related payables	-	-	91.54	75.11
Payable towards purchase of fixed assets	-	-	37.19	33.12
Mark to market loss on embedded derivatives*	-	-	16.14	19.14
Mark to market loss on forward contracts*	-	-	20.37	14.07
Other payables**	-	-	305.15	644.69
	7.45	5.23	472.62	788.77

* At fair value through profit and loss

**Includes payables to related parties and payables on behalf of related party towards non-novated contracts (Refer note 46(b)(xii)).

21 Trade payables

(₹ in Crores)

	December 31, 2022	December 31, 2021
Dues to micro and small enterprises	92.08	84.18
	92.08	84.18
Dues to creditors other than micro and small enterprises		
Other trade payables	2,544.68	2,149.49
	2,544.68	2,149.49
	2,636.76	2,233.67
Above balances of trade payables includes balances with related parties (Refer note 46)		

The Company has amounts due to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as at **December 31, 2022**.

(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the year:		
Principal amount	84.02	79.12
Interest	1.00	2.72
(ii) The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	104.86	66.89
(iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	2.00	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	3.00	2.34
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	8.06	5.06

The above disclosures are provided by the Company based on the information available with the Company in respect of the registration status of its vendors/suppliers.

Trade payables ageing schedule:

(₹ in Crores)

	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
As at December 31, 2021						
MSME*	-	80.46	2.17	-	1.55	84.18
Others	1,413.41	296.44	97.02	42.29	85.16	1,934.32
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,413.41	376.90	99.19	42.29	86.71	2,018.50
Accrued expenses						215.17
						2,233.67
As at December 31, 2022						
MSME*	-	88.36	-	2.17	1.55	92.08
Others	1,592.80	485.71	32.81	72.95	78.84	2,263.11
Disputed dues - MSME*	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
	1,592.80	574.07	32.81	75.12	80.39	2,355.19
Accrued expenses						281.57
						2,636.76

*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

22 Other current liabilities

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Billing in excess of contract revenue (refer note 47)	254.10	211.86
Statutory dues payable	107.07	84.75
Advance from customers (refer note 47)	442.37	247.63
	803.54	544.24

23 Provisions

	(₹ in Crores)			
	Non-current		Current	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Provisions for employee benefits				
Provident fund	-	-	21.31	-
Leave benefits	-	-	34.86	29.90
Other provisions				
Warranties	-	-	160.51	123.76
Loss orders	-	-	28.56	33.43
Litigations	-	-	0.20	5.01
Sales tax and other indirect taxes	-	-	137.74	142.44
	-	-	383.18	334.54

Nature of provisions:

- i) Warranties: The Company provides warranties for its products, systems and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made as at December 31, 2022 represents the amount of the expected cost based on technical evaluation and past experience of meeting such obligations. It is expected that this expenditure will be incurred over the contractual warranty period.
- ii) Loss orders: A provision for expected loss on construction contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts loss order provisions are made when the full costs of meeting the obligation under the contract exceed the currently estimated economic benefits.
- iii) Provision for litigation represents claims against the Company not acknowledged as debts that are expected to materialise in respect of matters in litigation. The outflow would depend on the cessation of the respective events.
- iv) Provision for sales tax represents mainly the differential sales tax liability on account of non – collection of declaration forms. The outflow would depend on the cessation of the respective events.

Movement in provisions: (Figures in brackets are in respect of the previous year)

	(₹ in Crores)			
Class of provisions	As at January 1, 2022	Additions	Amounts used/reversed	As at December 31, 2022
Warranties	123.76 (100.43)	39.77 (24.37)	3.02 (1.04)	160.51 (123.76)
Loss orders	33.43 (28.97)	28.65 (33.46)	33.52 (29.00)	28.56 (33.43)
Litigations	5.01 (0.57)	0.20 (4.44)	5.01 -	0.20 (5.01)
Sales tax and other indirect taxes	142.44 (106.00)	22.25 (43.47)	26.95 (7.03)	137.74 (142.44)

24 Current tax liabilities (net)

	(₹ in Crores)	
	Current	
	December 31, 2022	December 31, 2021
Provision for taxation (net of advance tax)	42.18	34.99
	42.18	34.99

25 Revenue from operations (net)

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Revenue from contracts with customers		
Sale of products	8,085.99	6,523.01
Sale of services	412.42	341.01
	8,498.41	6,864.02
Other operating revenues		
Scrap sales	21.71	16.91
Commission income	-	0.50
Income from development services	42.42	47.48
Miscellaneous income	4.99	5.09
	69.12	69.98
Revenue from operations (net)	8,567.53	6,934.00
Detail of revenue from contracts with customers		
(i) Sale of products		
Switchgear of all types	3,320.75	2,601.67
Electronic control and supply units for variable speed drives and other applications	1,318.97	1,062.14
Motors and other machines	1,982.82	1,488.91
Others	1,463.45	1,370.29
	8,085.99	6,523.01
(ii) Sale of services		
Erection, commissioning and other engineering services	412.42	341.01
	412.42	341.01
	8,498.41	6,864.02

26 Other income

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Finance income		
Interest income:		
Interest on security deposit	0.24	0.33
Interest from deposits with banks & bonds	120.49	66.57
Interest income - on tax refunds etc.	6.04	1.72
	126.77	68.62
Other income		
Exchange rate difference - gain (net)	-	40.57
Other non operating revenue	52.70	50.43
	52.70	91.00
	179.47	159.62

27 Cost of raw materials, components consumed and project bought outs

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Raw material and components consumed		
Inventory at the beginning of the year	671.24	536.19
Add : Purchases during the year	5,014.07	3,892.45
Less : Inventory at the end of the year	981.13	671.24
Cost of raw materials consumed	4,704.18	3,757.40

28 Purchases of traded goods

Motors and other machines	83.46	105.88
Switchgears	5.41	2.69
Power invertors	1.92	0.97
Others	607.74	581.77
	698.53	691.31

29 Changes in inventories of finished goods, traded goods and work-in-progress

Opening stock		
- Finished goods	100.73	83.28
- Work-in-progress	190.50	187.62
- Traded goods	44.98	31.95
	336.21	302.85
Closing stock		
- Finished goods	168.66	100.73
- Work-in-progress	223.09	190.50
- Traded goods	45.99	44.98
	437.74	336.21
	(101.53)	(33.36)

30 Employee benefit expenses

Salaries, wages and bonus	550.73	512.07
Gratuity	8.31	9.37
Provident fund	16.13	13.00
Contribution to superannuation and other funds	15.41	14.90
Staff welfare expenses	33.13	27.94
Training, recruitment and transfer expenses	11.58	10.96
	635.29	588.24

31 Finance costs

Interest expenses	9.46	6.28
Finance cost lease obligation	1.82	2.23
Bill discounting and other charges	1.83	1.60
Interest expense on provisions measured at amortised cost	-	0.59
	13.11	10.70

32 Depreciation and amortisation expenses

Depreciation of property, plant and equipment	84.66	79.72
Amortisation of intangible assets	1.68	2.16
Depreciation of right to use assets	18.36	20.82
	104.70	102.70

33 Other expenses

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Consumption of stores and spares	18.12	13.20
Packing expenses	32.80	27.80
Royalty and technology fees	258.17	198.70
Freight and forwarding	113.82	90.56
Postage and telephone	2.81	3.61
Commission (other than sole selling agent)	1.04	0.67
Power and fuel	22.57	20.06
Travelling and conveyance	72.91	39.41
Insurance	9.43	8.65
Rates and taxes (net)	36.19	45.54
Rent	10.45	21.32
Repairs :		
Buildings	11.49	8.69
Plant and machineries	28.32	21.88
Others	7.58	4.99
Provision/(reversal) for doubtful debts and advances (net)	(54.06)	(49.24)
Bad debts and advances written off/(written back)	64.66	63.58
Loss on sale of fixed assets (net)	3.55	1.77
Printing and stationery	4.14	2.86
Bank charges	2.29	7.99
Corporate social responsibility expenditure	9.88	10.09
Legal and professional	65.44	55.70
Auditor's remuneration	1.85	1.62
Trade-mark fees	97.26	72.18
Information technology expenses	202.71	182.97
Exchange and commodity (gain) / loss (net)	48.83	-
Director's fees and commission	1.17	1.14
Services from third parties	104.71	95.08
Testing and inspection charges	12.56	21.37
Seminar and publicity expenses	11.73	4.63
Group management fees	111.35	98.23
Network cost	28.39	25.08
Warranty	45.27	21.19
Miscellaneous (net)	40.31	41.42
	1,427.74	1,162.74
Auditor's remuneration (excluding goods and service tax)		
As auditor:		
Audit fee	0.70	0.55
Tax audit fee	0.20	0.20
Limited review	0.60	0.60
In other capacity:		
Group reporting fees	0.15	0.15
Certification, etc	0.20	0.10
Reimbursement of expenses	-	0.02
	1.85	1.62
Details of corporate social responsibility expenditure		
1. Amount required to be spent during the year	9.88	10.09
2. Amount of expenditure incurred on:		
(i) Construction/acquisition of any asset	1.97	7.31
(ii) On purposes other than (i) above	7.91	2.78
	9.88	10.09
3. Shortfall at the end of the year	Not Applicable	
4. Total of previous years shortfall	Not Applicable	
5. Reason for shortfall	Not Applicable	
6. Nature of CSR activities	Public Road Infrastructure, Education, Healthcare, Water Management.	
7. Details of related party transactions as per relevant Accounting Standard : Contribution to ABB India Foundation in relation to CSR expenditure	9.88	9.47

34 Discontinued operations

On March 5, 2019, the Board of Directors of Company approved the Scheme of Arrangement amongst the Company and Hitachi Energy India Limited ('HEIL') (formerly ABB Power Products and Systems India Limited) for Demerger of Company's Power Grids business to HEIL ("Demerger") and the Appointed date for the Demerger was April 1, 2019. The Demerger was approved by National Company Law Tribunal ('NCLT') and the NCLT approval was filed with the Registrar of Companies on December 1, 2019 (Effective date).

Further, expenses incurred relating to the above mentioned discontinued business is disclosed as part of discontinued operations.

	December 31, 2022	December 31, 2021
(a) Analysis of profit from discontinued operation		
Expenses		
Employee benefit expenses	-	-
Other expenses	12.53	17.08
Total expenses	12.53	17.08
Profit before tax	(12.53)	(17.08)
Tax (expense)/credit	3.15	4.30
Profit/ (loss) after tax	(9.38)	(12.78)
(b) Net cash flows attributable to the discontinued operation		
Net cash (outflows) / inflows from operating activities	(4.26)	(6.40)
Net cash outflows	(4.26)	(6.40)

35 During the year, the Company sold its turbocharger business (which was part of Process Automation segment) to a wholly owned subsidiary Turbocharging Industries and Services India Private Limited ('TISIPL'), on a slump sale basis for a consideration of ₹ 310 Crores determined based on independent valuation. This was in line with ABB Group's ongoing systematic portfolio restructuring to focus on higher growth segments. In this regard, a gain on sale of the business amounting to ₹ 293.35 Crores was recognised as income and was presented as an exceptional item.

Further, the Company has sold the investment in TISIPL to Turbo Systems Switzerland Limited, a fellow subsidiary on the date of sale for a consideration of ₹ 355 Crores determined based on independent valuation. The gain on sale amounting to ₹ 40 Crores is recognised as income and presented as an exceptional item.

The Company has also sold certain Property Plant and Equipment to TISIPL during the year and the profit thereon amounting to ₹ 5.91 Crores is presented as an exceptional item.

The total income presented as exceptional gain in the year December 31, 2022 is ₹ 339.26 Crores.

Carrying value of asset and liabilities classified as held for sale	December 31, 2021
Property, plant and equipment and intangible assets (including CWIP)	11.39
Non-current financial assets	0.65
Inventories	13.14
Trade receivables	33.87
Current financial assets	0.96
Other current assets	0.14
Total assets (A)	60.15
Trade payables	42.19
Other financial liabilities	5.27
Other current liabilities	1.07
Current liabilities - provisions	0.92
Total liabilities (B)	49.45
Net Assets (A - B)	10.70

36 Earning per share (EPS)

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
The following reflects the income and share data used in the basic and diluted EPS computations		
a) Profit/ (loss) after tax		
From continuing operations	1,025.61	532.49
From discontinued operation	(9.38)	(12.78)
b) Profit attributable to equity shareholders	1,016.23	519.71
c) Weighted average number of Equity Shares outstanding during the year	21,19,08,375	21,19,08,375
d) Nominal value of shares (in ₹)	2.00	2.00
e) Earnings/ (loss) per share- Basic and diluted (in ₹)		
From continuing operations (in ₹)	48.40	25.13
From discontinued operation (in ₹)	(0.44)	(0.60)
From continuing and discontinued operations (in ₹)	47.96	24.53

37 Gratuity and other post-employment benefit plans

The Company has defined benefit gratuity plan and provident fund plan managed by trusts.

Gratuity Plan :

Gratuity is payable to all eligible employees of the Company as per the provisions of the Payment of Gratuity Act, 1972 or as per the Company's scheme, whichever is higher.

Provident Fund Plan :

The Company manages provident fund plan through a provident fund trust for its employees which is permitted under the Provident Fund and Miscellaneous Provisions Act, 1952. The Contribution by employee and employer together with interest are payable at the time of separation from service or retirement whichever is earlier.

Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on assets have been considered based on relevant economic factors such as inflation, market growth and other factors applicable to the period over which the obligation is expected to be settled.

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
A Gratuity		
The following table sets out movement in defined benefits liability and the amount recognised in the financial statements:		
Gratuity provision / (assets)	(3.42)	(1.97)
Total	(3.42)	(1.97)

(₹ in Crores)

	Defined benefit obligation	Fair value of plan assets	Benefit liability
i) Changes in the defined benefit obligation and fair value of plan assets as at December 31, 2022:			
Gratuity cost charged to profit or loss:			
As at January 1, 2021	106.69	99.55	7.14
Service cost	9.22	-	9.22
Net interest expense / income	5.90	5.75	0.15
Total amount recognised in statement of profit and loss (Note 30)	15.12	5.75	9.37
Remeasurement (gains)/losses in other comprehensive income:			
Return on plan assets (excluding amounts included in net interest expense)	-	(0.10)	0.10
Actuarial changes arising from changes in financial assumptions	(4.34)	-	(4.34)
Experience adjustments	(4.89)	-	(4.89)
Total amount recognised in other comprehensive income	(9.23)	(0.10)	(9.13)
Contributions by employer	-	9.35	(9.35)
Benefits paid	(16.75)	(16.75)	-
As at December 31, 2021	95.83	97.80	(1.97)
Service cost	8.44	-	8.44
Net interest expense	6.13	6.26	(0.13)
Total amount recognised in statement of profit and loss (Note 30)	14.57	6.26	8.31
Remeasurement (gains)/losses in other comprehensive income:			
Return on plan assets (excluding amounts included in net interest expense)	-	1.07	(1.07)
Actuarial changes arising from changes in financial assumptions	(6.84)	-	(6.84)
Experience adjustments	1.25	-	1.25
Total amount recognised in other comprehensive income	(5.59)	1.07	(6.66)
Contributions by employer	-	3.10	(3.10)
Benefits paid	(6.14)	(6.14)	-
As at December 31, 2022	98.67	102.09	(3.42)
	December 31, 2022		December 31, 2021
ii) Amount recognized in balance sheet			
Present value of funded obligations		98.67	95.83
Fair value of plan assets		102.09	97.80
Net funded asset/(obligation)		3.42	1.97
Net defined benefit (liability) / asset recognised in balance sheet		3.42	1.97
iii) Expense recognised in profit or loss			
Current service cost		8.44	9.22
Interest cost/(income)		(0.13)	0.15
		8.31	9.37
iv) Remeasurements recognised in other comprehensive income			
Actuarial (gain) loss on defined benefit obligation		(5.59)	(9.23)
Return on plan assets excluding interest income		(1.07)	0.10
		(6.66)	(9.13)
v) The major categories of plan assets of the fair value of the total plan assets are as follows:			
Investments			
Government of India Securities (Central and State)		8.13%	8.48%
PSU securities		1.47%	6.72%
Special deposit scheme / Funds with LIC		81.25%	79.35%
Others (including bank balances)		9.15%	5.45%
Total		100.00%	100.00%
vi) The principal assumptions used in determining gratuity obligations are shown below:			
Discount rate		7.30%	6.50%
Future salary increases		7.75%	7.75%
vii) The following payments are expected contributions to the defined benefit plan in future years			
Within the next 12 months (next annual reporting period)		7.01	6.70
Between 2 and 5 years		39.92	35.82
Beyond 5 years		71.43	65.62
Total expected payments		118.36	108.14
The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years.			

(₹ in Crores)

	December 31, 2022		December 31, 2021	
	Discount rate	Future salary increases	Discount rate	Future salary increases

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

Assumptions				
Sensitivity analysis				
1% increase	(7.54)	8.56	(7.78)	8.82
1% decrease	8.68	(7.58)	9.01	(7.77)

Impact on defined benefit obligation

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

B Provident fund

(₹ in Crores)

	Defined benefit obligation	Fair value of plan assets	Benefit liability
--	----------------------------	---------------------------	-------------------

i) Changes in the defined benefit obligation and fair value of plan assets

As at January 1, 2021	868.65	845.26	23.39
Current service cost	11.97	-	11.97
Interest expense	47.36	46.33	1.03
Total amount recognised in statement of profit and loss (Note 30)	927.98	891.59	36.39
Remeasurement (gains)/losses in other comprehensive income:			
Actuarial (gain)/loss	(113.43)	-	(113.43)
Return on plan assets	-	(43.32)	43.32
Irrecoverable surplus (effect of asset ceiling)	-	(45.21)	45.21
Total amount recognised in other comprehensive income	(113.43)	(88.53)	(24.90)
Demerger adjustment#	12.66	12.54	0.12
Contributions	-	11.61	(11.61)
Benefit payments	(170.21)	(170.21)	-
As at December 31, 2021	657.00	702.21	(45.21)
Current service cost	16.13	-	16.13
Interest expense/income	42.94	45.88	(2.94)
Total amount recognised in statement of profit and loss (Note 30)	59.07	45.88	13.19
Remeasurement (gains)/losses in other comprehensive income:			
Actuarial (gain)/loss	(33.12)	-	(33.12)
Return on plan assets	-	(102.58)	102.58
Irrecoverable surplus (effect of asset ceiling)	-	-	-
Total amount recognised in other comprehensive income	(33.12)	(102.58)	69.46
Contributions	-	16.13	(16.13)
Benefit payments	(8.79)	(8.79)	-
As at December 31, 2022	674.16	652.85	21.31

#Pursuant to demerger, plan assets was transferred in the ratio of liability.

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
ii) Amount recognized in balance sheet		
Present value of funded obligations	674.16	657.00
Fair value of plan assets	652.85	702.21
Net funded obligation	(21.31)	45.21
Net defined benefit (liability) /asset	(21.31)	45.21
iii) The principal assumptions are shown below:		
Discount rate	7.30%	6.50%
Expected return on EPFO	8.10%	8.50%
iv) A quantitative sensitivity analysis for significant assumption as at December 31, 2022 is as shown below:		
1% increase in discount rate	(25.89)	(23.76)
1% decrease in discount rate	37.21	23.76
The sensitivity results above determine their individual impact on the plan's end of year defined benefit obligation. In reality, the plan is subject to multiple external experience items which may move the defined benefit obligation in similar or opposite direction, while the plan's sensitivity to such changes can vary over time.		
Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach		
v) The major categories of plan assets of the fair value of the total plan assets are as follows:		
Investments		
Government of India Securities (Central and State)	57.00%	53.00%
PSU securities	29.00%	30.00%
Others (including bank balances)	14.00%	17.00%
Total	100.00%	100.00%
vi) The Company contributed ₹ 16.13 Crores (December 31, 2021: ₹ 13.00 Crores) towards employer's contribution for provident fund during the year December 2022.		
vii) The provident plans are applicable only to employees drawing a salary in Indian rupees and there are no other significant foreign defined benefit plans.		

38 Fair value hierarchy

The Company's assets and liabilities which are measured at amortised cost for which fair value are disclosed at December 31, 2022

(i) Fair value hierarchy

	(₹ in Crores)	
Particulars	December 31, 2022	December 31, 2021
Financial Assets at amortised cost		
Investments (refer note 14)	493.15	-
Loans receivable (refer note 15)	4.94	4.40
Trade receivables (refer note 10)	2,092.99	1,883.84
Cash and cash equivalents (refer note 11)	3,146.86	719.09
Bank balances other than cash and cash equivalent (refer note 12)	2.22	1,993.10
Other financial assets (refer note 6)	235.59	641.38
Financial assets at fair value through profit and loss :		
Derivative instruments (refer note 6)	65.07	25.94
Total financial assets	6,040.82	5,267.75
Financial liabilities at amortised cost		
Lease liabilities (refer note 19)	33.09	36.66
Trade payables (refer note 21)	2,636.76	2,233.67
Other financial liabilities (refer note 20)	443.56	760.79
Financial liabilities at fair value through profit and loss :		
Derivative instruments (refer note 20)	36.51	33.21
Total financial liabilities	3,149.92	3,064.33

Particulars	(₹ in Crores)			
	Amount	Level 1	Level 2	Level 3
Financial assets at fair value through profit and loss :				
Derivative instruments (refer note 6) - As at December 31, 2022	65.07	-	65.07	-
Derivative instruments (refer note 6) - As at December 31, 2021	25.94	-	25.94	-
Financial liabilities at fair value through profit and loss :				
Derivative instruments (refer note 20) - As at December 31, 2022	36.51	-	36.51	-
Derivative instruments (refer note 20) - As at December 31, 2021	33.21	-	33.21	-

Valuation techniques and significant unobservable inputs

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

There were no transfers between Level 1, Level 2 and Level 3 during the year.

The carrying value of trade receivables, loans, trade payables, other financial assets and liabilities and cash and cash equivalents are considered to be the same as their fair value, due to their short term in nature.

The fair value of financial assets and liabilities is included at the amount at which the instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Company enters into derivative financial instruments with banks/ financial institutions. Foreign currency forward contracts are valued using valuation techniques which employ the use of market observable inputs using present value calculations. The model incorporates various inputs including the deal specific fundamental, market conditions, maturity period, transaction size, comparable trades, foreign currency spot and forward rates.

39 Financial risk management objectives and policies

The Company's principal financial liabilities comprise lease liabilities, trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, liquidity risk and credit risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk management committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

i. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include trade payables, deposits, investments and inventories.

Commodity contracts

The Company uses commodity future contracts to hedge risk against fluctuation in commodity prices. The following are outstanding future contracts entered into by the Company as on December 31, 2022.

Year	Commodity	Number of contracts	Contractual quantity	Buy /Sell
As at December 2022	Copper	225	2,773 MTs	Buy
As at December 2022	Silver	56	85,914 Ounce	Buy
As at December 2021	Copper	239	3,090 MTs	Buy
As at December 2021	Silver	77	1,43,370 Ounce	Buy

ii. Foreign Currency Risk

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the EUR, CHF and USD. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not Company's functional currency (INR).

(a) Unhedged in foreign currency exposure

Currency	₹ in Crores							
	EUR	NPR	BDT	BTN	USD	CHF	LKR	Others
Trade Receivables								
As at December 31, 2022	41.76	-	5.49	5.27	-	21.00	6.96	2.58
1% increase	0.42	-	0.05	0.05	-	0.21	0.07	0.03
1% decrease	(0.42)	-	(0.05)	(0.05)	-	(0.21)	(0.07)	(0.03)
As at December 31, 2021	56.39	2.43	9.25	5.80	-	51.34	3.04	5.55
1% increase	0.56	0.02	0.09	0.06	-	0.51	0.03	0.06
1% decrease	(0.56)	(0.02)	(0.09)	(0.06)	-	(0.51)	(0.03)	(0.06)
Trade payables								
As at December 31, 2022	88.28	0.68	4.97	0.40	41.23	-	5.18	4.85
1% increase	0.88	0.01	0.05	0.00	0.41	-	0.05	0.05
1% decrease	(0.88)	(0.01)	(0.05)	(0.00)	(0.41)	-	(0.05)	(0.05)
As at December 31, 2021	291.94	1.88	6.85	1.02	83.24	9.97	11.05	8.78
1% increase	2.92	0.02	0.07	0.01	0.83	0.10	0.11	0.09
1% decrease	(2.92)	(0.02)	(0.07)	(0.01)	(0.83)	(0.10)	(0.11)	(0.09)
Cash and cash equivalents								
As at December 31, 2022	-	0.12	1.66	36.35	-	-	1.42	-
1% increase	-	0.00	0.02	0.36	-	-	0.01	-
1% decrease	-	(0.00)	(0.02)	(0.36)	-	-	(0.01)	-
As at December 31, 2021	-	0.12	7.09	35.56	-	-	1.18	-
1% increase	-	0.00	0.07	0.36	-	-	0.01	-
1% decrease	-	(0.00)	(0.07)	(0.36)	-	-	(0.01)	-

The above sensitivity analysis is based on a reasonably possible change in the underlying foreign currency against the Indian rupee computed from historical data and is representative of the foreign exchange currency risk inherent in financial assets and financial liabilities reported at the reporting date.

(b) Forward contracts outstanding as of December 31, 2022

Currency	December 31, 2022			December 31, 2021		
	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)
Exports						
CHF	-	-	-	1	0.01	0.37
EUR	17	0.33	29.25	16	0.25	22.00
SEK	2	0.53	4.32	2	0.53	4.41
USD	157	5.28	433.77	120	3.92	299.72
Others	5	0.22	5.75	3	0.05	3.05
			473.09			329.55

Currency	December 31, 2022			December 31, 2021		
	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)	Number of Contracts	Amount in Foreign Currency Crores	(₹ in Crores)
Imports						
CHF	21	1.25	109.96	22	0.92	78.04
EUR	182	4.84	417.95	104	1.27	116.93
SEK	7	6.53	52.00	5	3.91	35.10
USD	181	2.77	228.07	162	2.48	190.24
Others	44	8.37	99.91	20	4.72	56.69
			907.89			477.00

iii Credit risk

Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding trade receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

(i) Trade receivables

Trade receivables consists of a large number of customers spread across diverse industries.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. Under the simplified approach, the Company does not track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At year end, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the statement of profit and loss within other expenses.

Specific allowance for loss is also been provided by the management based on expected recovery on individual customers.

The provision provided in books for trade receivables overdue:

Reconciliation of loss allowance

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Opening balance	300.57	353.20
Additional provision/(reversal)	24.83	25.88
Utilisation/reversals	(73.96)	(78.51)
Closing balance	251.44	300.57

Management does not expect any significant loss from non-performance by counterparties on credit granted during the financial year that has not been provided for.

(ii) Other than trade receivables

Management believes that the parties from which the receivables are due have strong capacity to meet the obligations and risk of default is low and accordingly no provision for expected credit loss has been provided for.

iv. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company maintains flexibility in funding by maintaining availability under committed credit lines.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Crores)								
	December 31, 2022				December 31, 2021			
	On demand	Less than 1 year	More than 1 year	Total	On demand	Less than 1 year	More than 1 year	Total
Year ended								
December 31, 2022								
Borrowings	-	-	-	-	-	-	-	-
Lease liability	-	14.47	23.22	37.69	-	17.86	25.22	43.08
Other financial liabilities#	-	436.11	7.45	443.56	-	755.56	5.23	760.79
Trade payables	-	2,636.76	-	2,636.76	-	2,233.67	-	2,233.67
Total non-derivative liabilities	-	3,087.34	30.67	3,118.01	-	3,007.09	30.45	3,037.54

excludes mark to market loss on embedded derivatives and forward contracts

40 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

(₹ in Crores)		
	December 31, 2022	December 31, 2021
Lease liabilities	33.09	36.66
Trade payables	2,636.76	2,233.67
Other financial liabilities	480.07	794.00
Less: cash and cash equivalents	(3,146.86)	(719.09)
Net debts	3.06	2,345.24
Total equity	4,939.41	4,045.19
Capital and net debt	4,942.47	6,390.43
Gearing ratio	0.06%	36.70%

41 Share based payments

The employees of the Company are entitled to the shares of ABB Limited, Zurich (Ultimate holding company) under an equity settled share based plan. Further, under the Long-term incentive plan (LTIP), ABB Limited, Zurich offers stock options to employees above certain grade. The share based payments expense accounted during the year is not material and hence the required disclosures have not been provided.

42 Contingent liabilities and contingent assets

(₹ in Crores)

	December 31, 2022	December 31, 2021
Contingent liabilities (Claims against the Company not acknowledged as debts)		
Excise duty /service tax and sales tax liabilities dispute	343.43	392.53
Custom duty liabilities in dispute	13.00	20.05
Income tax matters in dispute	19.21	19.25
Other matters	173.84	174.98
	549.48	606.81

The Company does not have any contingent assets at the balance sheet date.

The Company is contesting the demands and the management believes that its position will likely be upheld in the various appellate authorities/courts. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position.

The amounts assessed as contingent liability do not include interest and/or penalty (if any) that could be claimed by counter parties.

In respect of the above contingent liabilities, the future cash outflows are determinable only on receipt of judgement pending at various forums / authorities.

The Company has outstanding performance bank guarantees as at December 31, 2022 aggregating to ₹ 60.11 Crores (December 31, 2021 ₹ 146.62 Crores), issued to the customers of Marici Solar India Private Limited, Linxon India Engineering Private Limited, Dodge Industrial India Private Limited and Turbocharging Industries and Services India Private Limited before the sale of business on slump sale basis to the respective companies. The commission on such bank guarantees has been reimbursed by the respective companies. The Company is also entitled for indemnification by the respective companies against any claims from the customers of these companies on such performance bank guarantees. Additionally, refer note 46(b)(xii).

43 Capital commitments

(₹ in Crores)

	December 31, 2022	December 31, 2021
Estimated amount of contracts remaining to be executed on account of capital commitments and not provided for (net of advances)	58.46	56.05

44 Leases

The Company has taken vehicles, data processing equipment, office premises, warehouse and residential premises. These leases typically run for a period of eleven months to sixty months, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. Information about leases for which the Company is a lessee is presented below.

(₹ in Crores)

Particulars	Land and Buildings	Vehicles	Data Processing Equipment	Total
Balance as at January 1, 2021	44.83	9.62	19.84	74.29
Transferred to asset held for sale	(0.46)	(0.06)	-	(0.52)
Additions during the year	7.21	5.88	3.72	16.81
Depreciation charge for the year	(7.21)	(4.19)	(9.42)	(20.82)
De-recognition during the year	(17.01)	(2.79)	(4.45)	(24.25)
Balance as at December 31, 2021#	27.36	8.46	9.69	45.51
#Includes balances transferred to assets held for sale ₹ 0.52 Crores.				
Additions during the year	5.67	5.93	3.25	14.85
Depreciation charge for the year	(6.02)	(3.93)	(8.41)	(18.36)
De-recognition during the year	-	(0.83)	-	(0.83)
Balance as at December 31, 2022	27.01	9.63	4.53	41.17

The Company during the year incurred ₹ 10.45 Crores (December 31, 2021 ₹ 21.32 Crores) towards expenses relating to lease of low-value assets and short term leases.

The total cash outflow for leases during the year is ₹ 29.12 Crores (including interest of ₹ 1.82 Crores) [December 31, 2021: ₹ 33.73 Crores (including interest of ₹ 2.23 Crores)], including cash outflow of short-term leases and leases of low-value assets.

45 Segment disclosures

45(a) Segment information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. For management purposes, CODM organises the company into business units based on its products and services and has five reportable segments, as follows

i) Composition of business segments

The Company's business segments are organized around products and system solutions provided to its customers, which include utilities, industries, channel partners and original equipment manufacturers.

Motion segment (MO) provides products, solutions and related services that increase industrial productivity and energy efficiency. Its motors, generators and drives provide power, motion and control for a wide range of automation applications.

Robotics and Discrete Automation segment (RA) provides value-added solutions in robotics, machine and factory automation.

Electrification segment (EL) provides technology across the full electrical value chain from substation to the point of consumption, enabling safer and more reliable power. A range of digital and connected innovations for low- and medium-voltage, including EV infrastructure, modular substations, distribution automation, power protection, wiring accessories, switchgear, enclosures, cabling, sensing and control.

Process Automation segment (PA) provides products, systems and services designed to optimize the productivity of industrial processes. Solutions include turnkey engineering, control systems, measurement products, life cycle services, outsourced maintenance and industry specific products. The industries served include oil and gas, power, chemicals and pharmaceuticals, pulp and paper, metals and minerals, marine and turbocharging (discontinued during the year).

Power Grids segment (PG) (Discontinued) offers power and automation products, systems, service and software solutions across the generation, transmission and distribution value chain. Its portfolio includes grid integration, transmission, distribution and automation solutions and a complete range of high voltage products and transformers.

ii) The accounting policies used in the preparation of the financial statements of the Company are also applied for segment reporting.

iii) Segment revenues, expenses, assets and liabilities are those, which are directly attributable to the segment or are allocated on an appropriate basis. Corporate and other revenues, expenses, assets and liabilities to the extent not allocable to segments are disclosed in the reconciliation of reportable segments with the financial statements.

iv) Inter segment transfer pricing

Inter segment prices are normally negotiated amongst the segments with reference to the costs, market prices and business risks, within an overall optimization objective for the Company.

v) Power Grids segment (PG) is considered as discontinued operation. Information about the demerger is provided in Note. 34

vi) Effective January 1, 2021, Erstwhile Industrial Automation segment has been renamed as Process Automation.

vii) Segment Information

(Figures in brackets are in respect of the previous year)

(₹ in Crores)

Composition of business segments	Power Grids (Discontinued)	Robotics and Discrete Automation	Motion	Electrification	Process Automation	Total
External sales	-	231.88	3,263.91	3,411.39	1,566.81	8,473.99
	-	(254.21)	(2,503.22)	(2,661.09)	(1,399.30)	(6,817.82)
Inter segment sales	-	1.41	88.75	68.00	6.54	164.70
	-	(1.01)	(74.24)	(40.59)	(3.16)	(119.00)
Other operating revenue	-	(0.01)	14.41	50.32	(0.18)	64.54
	-	(0.04)	(14.21)	(50.54)	(0.94)	(65.73)
Segment revenues	-	233.28	3,367.07	3,529.71	1,573.17	8,703.23
	-	(255.26)	(2,591.67)	(2,752.22)	(1,403.40)	(7,002.55)
Segment results	(12.53)	29.29	412.48	487.80	200.65	1,117.69
	(17.08)	(20.26)	(323.92)	(305.99)	(127.92)	(761.01)
Segment assets	-	126.12	1,751.72	1,592.69	1,156.53	4,627.06
	-	(113.71)	(1,350.96)	(1,408.12)	(928.24)	(3,801.03)
Segment liabilities	-	111.57	1,430.60	1,138.32	1,114.27	3,794.76
	-	(116.47)	(1,127.52)	(961.42)	(789.77)	(2,995.18)
Depreciation / amortisation	-	0.70	21.99	36.68	4.18	63.55
	-	(0.45)	(20.71)	(36.99)	(6.45)	(64.60)

viii) Reconciliation of reportable segments with the financial statements

(₹ in Crores)

	Revenues	Results / Net profit	Assets	Liabilities	Depreciation / amortisation
Total segments	8,703.23	1,117.69	4,627.06	3,794.76	63.55
	(7,002.55)	(761.01)	(3,801.03)	(2,995.18)	(64.60)
Power grids (Discontinued)	-	(12.53)	-	-	-
	(-)	(17.08)	(-)	(-)	(-)
Corporate - unallocated (net)	29.00	(93.58)	4,691.17	584.06	41.15
	(50.45)	(164.46)	(4,271.71)	(1,032.37)	(38.10)
Exceptional item (refer note 35 & 49)	-	339.26	-	-	-
	(-)	(121.34)	(-)	(-)	(-)
Inter segment sales	164.70	-	-	-	-
	(119.00)	(-)	(-)	(-)	(-)
Interest expense	-	(13.11)	-	-	-
	(-)	(10.70)	(-)	(-)	(-)
Provision for tax	-	(337.18)	-	-	-
	(-)	(191.78)	(-)	(-)	(-)
As per financial statements	8,567.53	1,025.61	9,318.23	4,378.82	104.70
	(6934.00)	(532.49)	(8,072.74)	(4,027.55)	(102.70)

(b) Composition of geographical segments

	(₹ in Crores)		
	India	Rest of world	Total
Segment revenues	7,554.36	1,013.17	8,567.53
	(6,062.25)	(871.75)	(6,934.00)
Segment non-current assets*	1,138.59	-	1,138.59
	(1,076.19)	(-)	(1,076.19)

* Non current assets does not include deferred tax asset and non-current tax assets.

No customer individually accounted for more than 10% of the revenues from the continuing operations in the year ended December 31, 2022 and 2021.

46 Related party disclosures**(a) Parent Company****Party where control exists:**

ABB Limited, Zurich, Switzerland (Ultimate Holding Company)

ABB Asea Brown Boveri Limited, Zurich, Switzerland (Holding Company)

Entities with common directors and also a fellow subsidiary*

ABB Global Industries and Services Private Limited, Bengaluru, India

ABB Global Business Services And Contracting India Private Limited, Bengaluru, India

Hitachi Energy India Limited, Bengaluru, India (Formerly ABB Power Products and Systems India Limited) (fellow subsidiary until June 30, 2020)

* Transactions with the parties has been disclosed as part of transactions with fellow subsidiaries.

Entities over which key management personnel are able to exercise significant influence

ABB India Foundation

Entities under common control**Name of the Fellow subsidiaries:**

ABB Australia Pty Limited, Moorebank, NSW, Australia

ABB (Namibia) (Pty) Ltd., Windhoek, Namibia

ABB (Pty) Ltd., Gaborone, Botswana

ABB A/S, Skovlunde, Denmark

ABB AB, Västerås, Sweden

ABB AG, Mannheim, Germany

ABB AG, Wiener Neudorf, Austria

ABB Algeria SpA Asea Brown Boveri, Hydra, Algeria

ABB Algerie Produits SpA, Hydra, Algeria

ABB AS, Billingstad, Norway

ABB AS, Jüri, Estonia

ABB Asea Brown Boveri Ltd, Zurich, Switzerland

ABB Asea Brown Boveri SRL, BUCHAREST, Romania

ABB (Hong Kong) Ltd., Hong Kong, Hong Kong Special Administrative Region of China

ABB Automacao Ltda, Sorocaba, Brazil

ABB Automation And Electrification (Vietnam) Company Limited, Ho Chi Minh, Viet Nam

ABB Automation GmbH, Mannheim, Germany

ABB Automation Products GmbH, Ladenburg, Germany

ABB B.V., Rotterdam, Netherlands

ABB Bailey Beijing Engineering Co. Ltd., Beijing, China

ABB Bailey Japan Limited, Shizuoka-Ken, Japan

ABB Beijing Drive Systems Co. Ltd., Beijing, China

ABB Beijing Switchgear Limited, Beijing, China

ABB Bulgaria EOOD, Sofia, Bulgaria

ABB Business Services Sp. z o.o., Warsaw, Poland

ABB Capital B.V., Rotterdam, Netherlands

ABB Chongqing Transformer Company Ltd., Chongqing, China

ABB Colombia Ltda, Bogota, Colombia

ABB Contracting Company Ltd., Riyadh, Saudi Arabia

ABB d.o.o., Belgrade, Serbia

ABB Ecuador S.A., Quito, Ecuador

ABB Electrical Equipment (Xiamen) Co., Ltd., Xiamen, China

ABB Electrical Equipment Ltd., Lipetsk, Russian Federation

ABB Electrical Industries Co. Ltd., Riyadh, Saudi Arabia

ABB Electrical Machines Ltd., Shanghai, China

ABB Electrical Products (Shanghai) Co., Ltd., Shanghai, China

ABB Elektrik Sanayi A.S., Istanbul, Turkey

ABB Eletrificacao LTDA, Sorocaba, Brazil

ABB Engg. Technologies Co. (KSCC), Safat, Kuwait

ABB Engineering (Shanghai) Ltd., Shanghai, China

ABB Engineering Trading and Service Ltd., Budapest, Hungary

ABB Limitada, Maputo, Mozambique

ABB Enterprise Software Inc., Atlanta, GA, United States

ABB Equity Limited, Zurich, Switzerland

ABB for Electrical Industries (ABB ARAB) S.A.E., Cairo, Egypt

ABB France, Cergy Pontoise, France

ABB FZ-LLC, Dubai, United Arab Emirates

ABB Power & Automation (Private) Limited, Lahore, Pakistan

ABB Power Grids Argentina S.A.U., Ciudad Autonoma de Buenos Aires, Argentina

ABB Power Grids Australia Pty Ltd, Brisbane, Queensland, Australia

ABB Power Grids Bulgaria EOOD, Sevlievo, Bulgaria

ABB Power Grids Canada Inc, Saint-Laurent, Quebec, Canada

ABB Power Grids Chile SA, Santiago, Chile

ABB Transmission & Distribution Limited LLC, Abu Dhabi, United Arab Emirates

ABB Power Grids Denmark A/S, Skovlunde, Denmark

ABB Power Grids Germany AG, Mannheim, Germany

ABB Power Grids Hong Kong Limited, Hong Kong, Hong Kong Special Administrative Region of China

ABB Power Grids Italy S.p.A., Milano, Italy

ABB Power Grids Ltd., Moscow, Russian Federation
 ABB Power Grids Malaysia Sdn Bhd, Kuala Lumpur, Malaysia
 ABB Power Grids Peru S. A., Lima, Peru
 ABB Power Grids Poland Sp. z o.o., Warsaw, Poland
 ABB Power Grids Singapore Pte. Ltd., Singapore
 ABB Power Grids South Africa (Pty) Ltd, Johannesburg, South Africa
 ABB Power Grids Sweden AB, Västerås, Sweden
 ABB Power Grids Switzerland Ltd, Baden, Switzerland
 ABB (China) Ltd., Beijing, China
 ABB Power Protection LLC, Wilmington, DE, United States
 ABB Power Protection SA, Gambarogno, Switzerland
 ABB Power Systems Portugal, S.A, Oeiras, Portugal
 ABB Pte. Ltd., Singapore
 ABB S.A., Buenos Aires, Argentina
 ABB S.A., Casablanca, Morocco
 ABB S.A., Lima, Peru
 ABB S.A., Santiago, Chile
 ABB S.p.A., Milan, Italy
 ABB s.r.o., Prague, Czech Republic
 ABB SARL, Kinshasa Gombe, Congo, Democratic Republic of the
 ABB Schweiz AG, Baden, Switzerland
 ABB Sécheron S.A., Satigny, Switzerland
 ABB Shanghai Free Trade Zone Industrial Co., Ltd., Shanghai, China
 ABB Shanghai Motors Co. Ltd., Shanghai, China
 ABB Shanghai Transformer Co. Ltd., Shanghai, China
 ABB South Africa (Pty) Ltd., Modderfontein, South Africa
 ABB Sp. z o.o., Warsaw, Poland
 Power-One Renewable Energy Solutions LLC, Wilmington, DE, United States
 Hitachi Energy Technology Services Private Limited, Bengaluru, India
 (Formerly ABB Power Technology Services Private Limited)
 Turbocharging Industries and Services India Private Limited, Bengaluru,
 India (till September 30, 2022)
 ABB Global Marketing FZ LLC, Dubai, United Arab Emirates
 ABB High Voltage Switchgear (Xiamen) Company Ltd., Xiamen, China
 ABB High Voltage Switchgear Co., Ltd. Beijing, China
 ABB Holdings Sdn. Bhd., Subang Jaya, Malaysia
 ABB Inc., Cary, NC, United States
 ABB Inc., Saint-Laurent, Quebec, Canada
 ABB GISL Employees Gratuity Trust
 ABB Industrial Solutions (Switzerland) SA, Riazzino, Switzerland
 ABB Industries (L.L.C.), Dubai, United Arab Emirates
 ABB Industries FZ, Dubai, United Arab Emirates
 ABB Information Systems Ltd., Zurich, Switzerland
 ABB Installation Products Inc, Memphis, TN, United States
 ABB Jiangjin Turbo Systems Company Limited, Chongqing, China
 ABB Jiangsu Jingke Instrument Transformer Co., Ltd., Suqian, Jiangsu, China
 ABB K.K., Tokyo, Japan
 ABB Enterprise Software (PGHV US non-legal entity), Mt. Pleasant, PA,
 United States
 ABB Limited/Jordan LLC., Amman, Jordan
 ABB Limited, Auckland, New Zealand
 ABB Limited, Bangkok, Thailand
 ABB Limited, Dar Es Salaam, Tanzania, United Republic of
 ABB Limited, Dhaka, Bangladesh
 ABB Limited, Dublin, Ireland
 ABB Limited, Nairobi, Kenya
 ABB Limited, Warrington, United Kingdom
 ABB LLC., Muscat, Oman
 ABB LLC, Doha, Qatar
 ABB LLP., Almaty, Kazakhstan
 ABB Logistics Center Europe GmbH, Menden, Germany
 ABB Ltd., Hanoi, Vietnam
 ABB Ltd., Kampala, Uganda
 ABB Ltd., Kyiv, Ukraine
 ABB Ltd., Lusaka, Zambia
 ABB Ltd., Moscow, Russian Federation
 ABB Ltd., Seoul, Korea, Republic of
 ABB Ltd., Taipei, Taiwan (Chinese Taipei)
 ABB Ltd., Zagreb, Croatia
 ABB Ltda., São Paulo, Brazil
 ABB LV Installation Materials Co. Ltd. Beijing, China
 ABB Malaysia Sdn Bhd., Subang Jaya, Malaysia
 ABB Management Holding Ltd., Zürich, Switzerland
 ABB Management Services Ltd., Zurich, Switzerland
 ABB Mexico S.A. de C.V., San Luis Potosi SLP, Mexico
 ABB Motion Limited, Bristol, United Kingdom
 ABB Motors and Mechanical Inc, Fort Smith, AR, United States
 ABB N.V., Zaventem, Belgium
 ABB Near East Trading Ltd., Amman, Jordan
 ABB Oy, Helsinki, Finland
 ABB Supply Operations Ltd., Baden, Switzerland
 ABB Global Business Services and Contracting India Private Limited,
 Bengaluru, India
 ABB Technologies Ltd., Haifa, Israel
 ABB Technologies S.A., Dakar, Senegal
 ABB Technology SA, Abidjan, Cote d'Ivoire
 ABB Power Grids Colombia Ltda, Bogotá, Colombia
 ABB Turbo Systems (Hong Kong) Limited, Hong Kong, Hong Kong Special
 Administrative Region of China
 ABB Turbo Systems AG, Baden, Switzerland
 ABB Xiamen Surge Arrestor Co., Ltd., Xiamen, China
 Asea Brown Boveri Industrial, Technical & Commercial Company of Imports
 – Exports S.A., Metamorphosis Attica, Greece
 ABB Xiamen Smart Technology Co., Ltd., Xiamen, China
 ABB Xiamen Switchgear Co. Ltd., Xiamen, China
 ABB Xi'an Power Capacitor Company Limited, Xi'an, China
 ABB Xinhui Low Voltage Switchgear Co. Ltd., Xinhui, China
 ABB, Inc., Paranaque, Metro Manila, Philippines
 ABBNG Limited, Lagos, Nigeria
 ABB Xiamen Low Voltage Equipment Co. Ltd., Xiamen, China
 Asea Brown Boveri Lanka (Private) Limited, Colombo, Sri Lanka
 Asea Brown Boveri Ltd., Moka, Mauritius
 Asea Brown Boveri S.A., Madrid, Spain
 B&R Industrial Automation Pvt. Ltd., Pune, India
 Busch-Jaeger Elektro GmbH, Lüdenscheid, Germany
 Electrical Materials Center Co. Ltd, Riyadh, Saudi Arabia
 Industrial C&S Hungary Kft., Budapest, Hungary
 Iraq Technology for Advanced Energy LLC, Baghdad, Iraq
 Power-One Italy S.p.A., Terranuova Bracciolini (AR), Italy
 ABB Stotz-Kontakt GmbH, Heidelberg, Germany
 PT ABB Sakti Industri, Jakarta, Indonesia
 Pucaro Elektro-Isolierstoffe GmbH, Roigheim, Germany
 Shanghai ABB Power Transmission Company Ltd., Shanghai, China
 Shantou Winride Switchgear Co., Ltd., Longhu District Shantou, China
 Sucursal Panama de ABB SA, Panama
 Thomas & Betts Asia (Singapore) Pte. Ltd., Singapore
 Trasfor SA, Monteggio, Switzerland
 Turbo Systems United Co. Ltd., Tokyo, Japan
 Asea Brown Boveri Ltd. Employees Gratuity Fund
 ABB India Employees' Provident Fund Trust
 Asea Brown Boveri Ltd. Senior Executives Superannuation Scheme
 ABB SRL, Bucharest, Romania
 Turbo Systems Switzerland Ltd; Baden; Switzerland
 (till September 30, 2022)

Key managerial personnel :

(a) Managing Director	Sanjeev Sharma
(b) Non-Executive cum Independent Directors	V K Viswanathan Renu Sud Karnad (up to March 18, 2022) Monica Widhani (w.e.f May 6, 2022) Gopika Pant (w.e.f April 27, 2021)
(c) Non-Executive Directors	Morten Wierod (upto May 5, 2022) Maria Varsellona (up to March 31, 2022) Carolina Yvonne Granat (w.e.f April 1, 2022) Adrian Guggisberg (w.e.f. May 6, 2022)
(d) Chief Financial Officer	T. K. Sridhar
(e) Company Secretary	Trivikram Guda

(₹ in Crores)

	December 31, 2022	December 31, 2021
(b) Transactions with related parties		
Transaction value in excess of 10% with a fellow subsidiary has been individually disclosed below. All other cases have been grouped and disclosed as 'other fellow subsidiaries'.		
i) Revenue from operations		
Holding Company	0.06	0.05
Fellow Subsidiaries		
- ABB Inc., Cary, NC, United States	108.85	27.26
- ABB Schweiz AG, Baden, Switzerland	54.91	89.24
- Hitachi Energy India Limited, Bengaluru, India	36.81	86.63
- Other fellow subsidiaries	649.85	530.14
	850.42	733.27
	850.48	733.32
ii) Purchases of raw materials, components , project items and traded goods		
Fellow Subsidiaries		
- ABB Oy, Helsinki, Finland	319.21	231.02
- ABB Pte. Ltd., Singapore	198.81	235.08
- ABB S.p.A., Milan, Italy	192.60	166.86
- ABB Schweiz AG, Baden, Switzerland	173.00	176.18
- ABB AB, Västerås, Sweden	58.97	99.77
- Other fellow subsidiaries	876.58	684.38
	1,819.17	1,593.29
iii) Expenditure / (reversal) of ESAP & other charges		
Fellow Subsidiaries		
- ABB Equity Limited, Zurich, Switzerland	(0.34)	(0.44)
iv) Expenditure on royalty, technology and trade-mark fees		
Holding Company	97.26	72.18
Fellow Subsidiaries		
- ABB Schweiz AG, Baden, Switzerland	237.57	185.59
- Other fellow subsidiaries	19.71	12.28
	257.28	197.87
	354.54	270.05
v) Expenditure on information technology, engineering, management and other services		
Holding Company	6.69	3.99
Fellow Subsidiaries		
- ABB Information Systems Ltd., Zurich, Switzerland	155.15	136.96
- ABB Global Business Services And Contracting India Private Limited, Bangalore, India	80.69	30.52
- ABB Oy, Helsinki, Finland	51.83	47.00
- ABB Management Services Ltd., Zurich, Switzerland	44.98	39.70
- ABB Global Industries and Services Private Limited, Bengaluru, India	10.95	63.15
- Other fellow subsidiaries	42.31	38.94
	385.91	356.27
	392.60	360.26

(₹ in Crores)

	December 31, 2022	December 31, 2021
vi) Expenses recovered from group companies		
Fellow Subsidiaries		
- Hitachi Energy India Limited, Bengaluru, India	33.70	55.14
- Hitachi Energy Technology Services Private Limited, Bengaluru, India	10.03	8.12
- ABB Global Business Services and Contracting India Private Limited, Bengaluru, India	3.33	24.01
- ABB Management Services Limited, Zurich, Switzerland	2.18	1.62
- ABB Global Industries and Services Private Limited, Bengaluru, India	1.95	1.52
- ABB AB, Västerås, Sweden	0.51	0.98
- Other fellow subsidiaries	5.56	7.90
	57.26	99.29
	57.26	99.29
vii) Other capital expenditure		
Fellow Subsidiaries		
- ABB Beijing Drive Systems Co. Ltd., Beijing, China	2.10	-
- Hitachi Energy India Limited, Bengaluru, India	0.55	-
- ABB AG, Mannheim, Germany	0.43	0.03
- ABB Global Industries and Services Private Limited, Bengaluru, India	0.34	0.37
- ABB Oy, Helsinki, Finland	0.27	0.33
- ABB Engineering (Shanghai) Ltd., Shanghai, China	0.14	0.21
- ABB Schweiz AG, Baden, Switzerland	-	0.38
- Other fellow subsidiaries	0.46	0.61
	4.29	1.93
viii) Dividend paid during the year		
Holding Company	82.64	79.47
	82.64	79.47
ix) Sale of business - Refer note 35		
x) Remuneration to key managerial personnel		
The remuneration of key management personnel and a relative of key management personnel of the company are set out below in aggregate for each of the categories specified in Ind AS 24 Related party disclosures.		
Particulars		
Short term employee benefits	10.33	9.86
Post employment benefits#	0.37	0.48
Directors' Sitting fees	0.14	0.10
Commission to Directors	1.03	1.04
Total	11.87	11.48
# Does not include gratuity and compensated absences as these are provided in the books of accounts on the basis of actuarial valuation for the company as a whole and hence individual amount cannot be determined		
xi) CSR Contribution		
- ABB India Foundation	9.88	9.47
xii)		
Pursuant to demerger of Power Grid business to Hitachi Energy India Limited ("HEIL") with effect from April 1, 2019 and based on court approved demerger scheme, the Company has raised invoices to the customers of HEIL and received invoices from the vendors of HEIL during the year ended December 31, 2022 amounting to ₹ 47.06 Crores (December 31, 2021 ₹ 127.92 Crores) and ₹ 16.15 Crores (December 31, 2021 ₹ 64.24 Crores) respectively, towards the contracts yet to be novated by HEIL customers and vendors. The aforesaid invoices raised and invoices received have not been considered in the revenue from operations and cost of sales of the Company. The receivables and payables towards the aforesaid non novated contracts amounting to ₹ 176.2 Crores (December 31, 2021 ₹ 317.27 Crores) and ₹ 139.5 Crores (December 31, 2021 ₹ 273.17 Crores) have been disclosed as other receivables and other payables. The Company has outstanding performance bank guarantees as at December 31, 2021 aggregating to ₹ 123.68 Crores (December 31, 2021 ₹ 500.12 Crores), issued to the customers of HEIL prior to the said demerger. The commission on such bank guarantees has been reimbursed by HEIL. The Company is also entitled for indemnification against any claims on such performance bank guarantees from the customers of HEIL and non-novated contracts of customers and suppliers. (Refer note 6, 20 and 42).		

(c) Amount due to / from related parties	December 31, 2022	December 31, 2021
Balances in excess of 10% with a fellow subsidiary has been individually disclosed below. All other cases have been grouped and disclosed as 'other fellow subsidiaries'.		
i) Trade receivables		
Fellow Subsidiaries		
- ABB Inc, Cary NC, United States	33.46	22.28
- ABB Schweiz AG, Baden, Switzerland	23.85	37.19
- Hitachi Energy India Limited, Bengaluru, India	9.81	27.89
- Other fellow subsidiaries	175.35	164.21
	242.47	251.57
	242.47	251.57
- Add/ (Less) :Impact of foreign currency restatement	7.48	(0.73)
	249.95	250.84
		(₹ in Crores)
	December 31, 2022	December 31, 2021
ii) Other financial assets		
Holding Company	0.06	-
Fellow Subsidiaries		
- Hitachi Energy India Limited, Bengaluru, India	90.70	146.25
- Hitachi Energy Technology Services Private Limited, Bengaluru, India	3.72	1.02
- ABB Global Business Services and Contracting India Private Limited, Bengaluru, India	1.08	0.02
- ABB Global Industries and Services Private Limited, Bengaluru, India	1.02	4.52
- ABB Schweiz AG, Baden, Switzerland	-	1.24
- Other fellow subsidiaries	1.94	2.72
	98.46	155.77
- Add/ (Less) :Impact of foreign currency restatement	98.52	155.77
	0.01	(0.01)
	98.53	155.76
iii) Other current assets		
Fellow Subsidiaries		
- ABB France, Cergy Pontoise, France	16.27	-
- ABB Schweiz AG, Baden, Switzerland	3.59	-
- ABB Oy, Helsinki, Finland	3.42	-
- ABB Electrical Industries Co. Ltd., Riyadh, Saudi Arabia	2.86	-
- ABB AG, Mannheim, Germany	-	0.49
- ABB Sp. z o.o., Warsaw, Poland	-	0.44
- ABB Inc., Cary, NC, United States	-	0.24
- Other fellow subsidiaries	1.65	-
	27.79	1.17
- Add/ (Less) :Impact of foreign currency restatement	1.93	0.03
	29.72	1.20
iv) Trade payables		
Holding Company	9.50	-
Fellow Subsidiaries		
- ABB Oy, Helsinki, Finland	155.59	89.16
- ABB S.p.A., Milan, Italy	75.57	72.31
- ABB Schweiz AG, Baden, Switzerland	67.88	62.45
- ABB Pte. Ltd., Singapore	51.04	64.17
- ABB AB, Västerås, Sweden	38.55	49.45
- Hitachi Energy India Limited, Bengaluru, India	13.37	6.93
- Other fellow subsidiaries	425.69	278.58
	827.69	623.05
- Add/ (Less) :Impact of foreign currency restatement	837.19	623.05
	24.70	(3.63)
	861.89	619.42
v) Other financial liabilities		
Holding Company	23.38	26.79
Fellow Subsidiaries		
- Hitachi Energy India Limited, Bengaluru, India	160.75	200.03
- ABB Global Business Services and Contracting India Private Limited, Bengaluru, India	15.20	6.96

- ABB S.p.A., Milan, Italy	14.73	6.24
- ABB Global Industries and Services Private Limited, Bengaluru, India	-	0.87
- Asea Brown Boveri Lanka (Private) Limited, Colombo, Sri Lanka	-	0.82
- Other fellow subsidiaries	10.66	10.91
	201.34	225.83
	224.72	252.62
- Add/ (Less) :Impact of foreign currency restatement	2.18	(0.12)
	226.90	252.50
vi) Other current liabilities		
Fellow Subsidiaries		
- ABB Electrical Industries Co. Ltd., Riyadh Saudi Arabia	9.49	1.65
- ABB for Electrical Industries (ABB ARAB) S.A.E., Cairo, Egypt	6.06	2.45
- ABB Inc., Cary, NC, United States	3.56	0.83
- ABB Industries FZ, Dubai, United Arab Emirates	2.67	8.12
- ABB Transmission & Distribution Limited LLC, Abu Dhabi, United Arab Emirates	2.05	3.42
- ABB Engg. Technologies Co. (KSCC), Safat, Kuwait	-	1.15
- Other fellow subsidiaries	6.25	3.84
	30.08	21.46
- Add/ (Less) :Impact of foreign currency restatement	0.62	0.01
	30.70	21.47

Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables.

47 Revenue from contracts with customers

a) Disaggregated revenue information

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Revenue by geography		
India	7,554.36	6,062.25
Other countries*	1,013.17	871.75
	8,567.53	6,934.00

* Exports to any single country are not material to be disclosed.

Out of the total revenue recognised under Ind AS 115 during the period, ₹ 1,164.85 crores (December 31, 2021: ₹ 927.71 crores) is recognised over a period of time and ₹ 7,402.68 crores (December 31, 2021: ₹ 6,006.29 crores) is recognised at a point in time.

b) Contract balances

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Trade receivables	2,092.99	1,883.84
Advance from customers (Contract liabilities)	442.37	247.63
Billing in excess of contract revenue (Contract liabilities)	254.10	211.86
Contract assets	138.57	54.02

In Company's contracts with customers, since the contractual right to payment arises only upon achievement of milestones specified in the contract, it is believed that the performance completed until the achievement of a particular milestone should be recorded as a contract asset under non-financial assets.

During the year ₹ 39.81 Crores (December 31, 2021 ₹ 49.43 Crores) from opening balance of contract assets has been reclassified to trade receivables upon billing to customers on completion of milestones.

Revenue recognized during the year from opening balance of contract liabilities amounts to ₹ 135.06 Crores (December 31, 2021 ₹ 198.59 Crores).

c) There is no revenue recognised during the year from the performance obligation that is satisfied in previous year (arising out of contract modifications).

d) Performance obligation on fixed price contracts

The fixed price contracts are ordinarily presumed to consist of combined obligations which are not distinct in the context of the contract (i.e., single performance obligation). This is highly attributed to the long-term construction nature of the projects, whereby deliverables are typically highly interrelated and combined. The typical scope of turnkey contracts arrangements includes engineering, manufacturing, shipment, delivery installation, testing, erection and commissioning and civil works. Although there are several components to the overall scope of the contract, the turnkey contracts are generally considered one performance obligation.

e) Remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue.

The aggregate value of performance obligations that are completely or partially unsatisfied is ₹ 6,468.71 Crores as at December 31, 2022. The conversion to revenue is highly dependent on meeting the delivery schedules, contractual terms and conditions with customers, availability of customer sites, changes / variation in scope / prices etc. In view of these, it is not practical to define the accurate timing of conversion to revenue. However, it will be in a range of 1 to 3 years.

f) Reconciliation between revenue recognized and contract price:

	(₹ in Crores)	
	December 31, 2022	December 31, 2021
Contract price	8,684.49	6,969.26
Less: Reductions towards variable consideration components*	116.96	35.26
Revenue	8,567.53	6,934.00

* Reduction towards variable consideration components include discounts, liquidated damages, etc.

g) Information regarding segment wise disaggregation of revenue has been included in segment information (Refer note 45).

48 Additional Regulatory Information Ratios

		(₹ in Crores)		
Ratios	Numerator	Denominator	December 31, 2022	December 31, 2021
(i) Current Ratio (in times)	Total current assets	Total current liabilities	1.82	1.66
(ii) Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.01	0.01
(iii) Debt service coverage ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Finance cost + Loss / (Profit) from sale of business/ investment / PPE	Debt service = Finance cost + Lease principal repayments	26.96	25.20
(iv) Return on equity ratio (in %)	Profit from continuing operations for the year less Preference dividend (if any)	Average total equity	22.83%	13.92%
(v) Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	4.31	3.88
(vi) Trade payables turnover ratio (in times)	Consumption + Sub contracting charges + Other expenses	Average trade payables	2.86	2.93
(vii) Inventory turnover ratio	Cost of goods sold	Average Inventory	4.56	5.00
(viii) Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	2.77	2.90
(ix) Net profit ratio (in %)	Profit for the year	Revenue from operations	11.86%	7.50%
(x) Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	27.92%	18.00%
(xi) Return on investment (in %)	Income generated from investment in fixed deposits and treasury bills	Average invested funds in fixed deposits and treasury bills	4.12%	3.03%

Note: Variance in case of return on equity ratio, net profit ratio and return on capital employed is more than 25% as compared to the previous year. This is mainly on account of increase in profitability due to increase in revenues and exceptional items as compared to previous year. Further, return of investment is higher due to change in the mix of investments in the current year.

49 Exceptional items

- (a) During the previous year, profit on sale of certain property, plant and equipment amounting to ₹ 74.53 Crores was disclosed as an exceptional item.
- (b) During the previous year, Mechanical Power Transmission business was sold to Dodge Industrial India Private Limited for a consideration of ₹ 44.58 Crores. The net assets transferred was ₹ 2.23 Crores (net liability) and profit on sale of business amounting to ₹ 46.81 Crores was disclosed as an exceptional item.

50 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amended Schedule III:

- (a) Crypto Currency or Virtual Currency
- (b) Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- (c) Registration of charges or satisfaction with Registrar of Companies
- (d) Relating to borrowed funds:
 - i. Wilful defaulter
 - ii. Utilisation of borrowed funds & share premium
 - iii. Borrowings obtained on the basis of security of current assets
 - iv. Discrepancy in utilisation of borrowings
 - v. Current maturity of long term borrowings
- (e) No funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

There are no funds received by the company from any person or entity, including foreign entities ("Funding Party") with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (f) The Company does not have any transactions with struck off companies.

51 The Board of directors in their meeting held on February 10, 2023 have proposed a final dividend of ₹ 5.50 per equity share for the year ended December 31, 2022. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022

For and on behalf of the Board

Amit Somani

Partner

Membership no.: 060154

New Delhi, February 10, 2023

Sanjeev Sharma

Managing Director

DIN: 07362344

V K Viswanathan

Director

DIN: 01782934

T K Sridhar

Chief Financial Officer

New Delhi, February 10, 2023

Trivikram Guda

Company Secretary

ACS-17685

Route map to the venue of the AGM

Venue: Taj Yeshwantpur, Bengaluru





ABB India Limited

CIN: L32202KA1949PLC032923

Registered Office: Disha - 3rd Floor, Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya, Bengaluru - 560 058. Karnataka, India

Phone: +91 80 22949113

Website: www.abb.com/in

E-mail: investor.helpdesk@in.abb.com

ATTENDANCE SLIP

PLEASE HAND OVER THE ATTENDANCE SLIP AT THE ENTRANCE OF THE AGM HALL

DP. ID		NAME AND ADDRESS OF THE REGISTERED MEMBER
Client ID / Folio No.		
No. of Shares		

I hereby record my presence at the 73rd Annual General Meeting of the Company held at “**Aura**”, **Taj Yeshwantpur, 2275, Tumkur Road, Yeshwantpur, Bengaluru - 560 022**, on **Thursday, May 4, 2023 at 11.00 A.M. (IST)**.

Full name of the Proxy, if attending the Meeting:

Signature of the Member / Joint Member / Proxy attending the Meeting:

Note:

Persons attending the Meeting are requested to bring this Attendance Slip with them.



ABB India Limited

CIN: L32202KA1949PLC032923

Registered Office: Disha - 3rd Floor, Plot No. 5 & 6, 2nd Stage
Peenya Industrial Area IV, Peenya, Bengaluru - 560 058. Karnataka, India

Phone: +91 80 22949113

Website: www.abb.com/in

E-mail: investor.helpdesk@in.abb.com

**73rd Annual General Meeting
May 4, 2023 at 11.00 A.M. (IST)**

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3)
of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s)	
Registered Address	
Email ID	
Folio No. / DP ID - Client ID	

I / We being the Member(s) holding _____ shares of above named Company, hereby appoint:

(1) Name: _____ Address: _____

Email ID: _____ Signature: _____ Or failing him / her

(2) Name: _____ Address: _____

Email ID: _____ Signature: _____ Or failing him / her

(3) Name: _____ Address: _____

Email ID: _____ Signature: _____

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 73rd Annual General Meeting of the Company to be held on **Thursday, May 4, 2023 at 11.00 A.M. (IST)**, at "Aura", Taj Yeshwantpur, 2275, Tumkur Road, Yeshwantpur, Bengaluru - 560 022 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. Adoption of Financial Statements and Reports of the Board of Directors and the Auditors thereon.
2. Declaration of Dividend.
3. Re-appointment of Ms. Carolina Yvonne Granat as a Director liable to retire by rotation.

SPECIAL BUSINESS:

4. Approval of remuneration to Cost Auditor of the Company for Financial Year ending December 31, 2023.

Signed this _____ day of _____ 2023

Signature of Member(s): _____

Signature of Proxy holder(s): _____



1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 73rd Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
4. Proxies submitted on behalf of limited companies, societies, partnership firms, etc., must be supported by appropriate resolution / authority as applicable, issued on behalf of the appointing organisation.

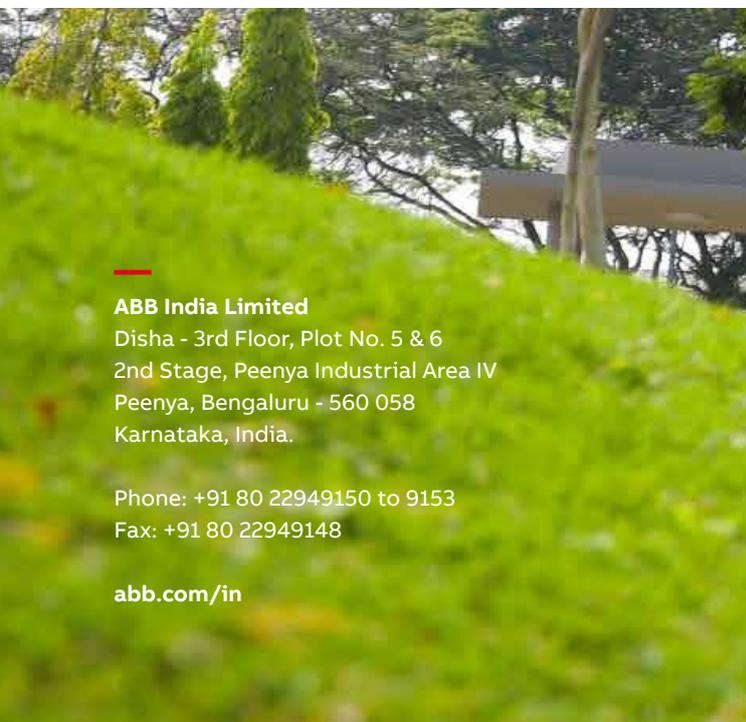


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